

Perot as a Wild Card - If They Ignore Him, Maybe He'll Go Away

By Andrew Rosenthal New York Times Service KENNEBUNKPORT, Maine — H. Ross Perot's flirtation with an independent bid for the White House has thrown a sudden wild card into the race that both President George Bush and Governor Bill Clinton of Arkansas regard as a danger.

Mr. Perot threatens Mr. Bush's effort to overcome public doubts about his management skills and his attempts to escape the "throw the bums out" mood of the early primaries. But Mr. Perot could also undermine Mr. Clinton's attempt to present himself as a

engagement and hoping that Mr. Perot will stay out. If he gets in, both sides hope for a repeat of history that shows independents — for instance George C. Wallace in 1968 and John B. Anderson in 1980 — soar in the spring and crash in the autumn. "Our plan is to ignore him," a senior Bush strategist said. "Our plan is to ignore everybody but ourselves, to focus on staying presidential and laying out an agenda and not be distracted into exchanges with Clinton or Perot."

Mr. Clinton said last week that Mr. Perot "has high national name recognition, and you all haven't had the chance to put him through the meat grinder yet." He added that Mr. Perot was enjoying the politician's ideal of being "known by everybody and criticized by no one."

"You see these outcroppings of anger and frustration about every decade," said Lance Tarrance, a Republican poll-taker. "This time, it's about economic management. But it all has to do with perceived weaknesses." In the November vote, Mr. Tarrance and others said, Mr. Perot could only hope to be the deciding factor by drawing enough voters from one candidate, or to deadlock the election and throw it to the House of Representatives to decide. In that eventuality, which seems unlikely now, Mr. Clinton would stand to benefit, since the House is controlled by a strong Democratic majority.

Kabul's Confusion Offers a Chance for 'Afghan Solution'

By Steve Coll Washington Post Service WASHINGTON — After 14 years of a war ignited by foreign powers that has reduced Afghanistan to ruins, thousands of armed Afghans are rushing to the outskirts of their ancient capital to settle scores and seek power in the traditional Afghan way — with talk, fighting, more talk, more fighting, and perhaps in the end accommodation based on arcane codes of tribe, ethnicity and family.

The biggest question now is how much blood will flow before the business is completed. For months before the sudden developments in Kabul last week, the United Nations had been working to convene a more orderly traditional jirga in a European hotel. Now the UN plan has been overtaken by events, and the Afghans who were to be invited are assembling on their own around Kabul, armed with weapons supplied by the former Soviet Union, the United States and other governments during the years of the Cold War.



A convoy of Afghan rebels leaving the Pakistani border city of Peshawar on Sunday to join Islamic Party guerrilla forces entrenched near Kabul.

Kiosk

Libya Expels More Envoys

TRIPOLI (Reuters) — Libya has formally ordered a tit-for-tat expulsion of foreign diplomats in its confrontation with the United Nations over its role in the destruction of two airliners. Libyan officials and diplomats said the Foreign Ministry had summoned heads of missions and told them the names and ranks of diplomats who had to leave the country. Belgium, Brazil, Czechoslovakia, France, Germany, Hungary, Italy, Japan, Spain and Sweden have ordered out some Libyan diplomats under UN sanctions.

Business/Finance

A German employers' spokesman warned high raises could provoke a recession. Page 7. Digital Equipment's revamping threatens jobs. Page 7.

Rafsanjani's Challenge: Can He Change the Face of Iran?

By Elaine Sciolino New York Times Service

TEHRAN — Hashemi Rafsanjani would like to be seen as a thoroughly modern mullah. The Iranian president studies economic issues at least two hours a day, gets CNN in his office and speaks English perhaps even better than his Berkeley-educated brother. Although he holds the title of *hojatolislam* — one rank lower than *ayatollah* — he sprinkles his speeches and sermons with statistics, not quotations from the Koran.

Like George Bush, he likes to cut through his administration's bureaucracy by picking up the phone, calling his ambassadors abroad and fellow heads of state like Turgut Ozal of Turkey and Helmut Kohl of Germany at odd hours of the day and night.

"I believe he is the ideal, the model president for any country, not just Iran," said Mohammed Hashemi, the president's younger brother, who runs the country's official radio and television. "His ideal is to bring Iran to the highest level of its economic, industrial, and cultural potential. He's in for the struggle."

If Ayatollah Ruhollah Khomeini was the austere revolutionary determined to smash the old regime, President Rafsanjani is the state builder, just as determined to create institutions that will restore the country to a position of power in the region.

Interviews with close associates of the Iranian president before and after parliamentary elections on April 10 made it clear that Mr. Rafsanjani's most pressing goal was to convince the world that he is a mature, reliable leader of a vital nation that is ripe for foreign investment and loans — one bent on meeting the economic needs of its people, not political expansion.

But it would be wrong to characterize Mr. Rafsanjani as a Western-style leader ready to cast off his clerical robes at the earliest opportunity. His government is constrained by revolutionary purists who accuse it of betrayal. The regime has long been accused in the West of sponsoring terrorists, including the kidnappers of foreigners in Lebanon, although the intercession of Mr. Rafsanjani is credited with helping to free the remaining American hostages.

In Poland, a Lucrative Market in Babies

By Gabrielle Glaser New York Times Service

WARSAW — Poland's opening to Western market forces has brought an unexpected side effect: a booming traffic in the country's blood, blue-eyed babies. Since the fall of communism two years ago, Western embassies in Warsaw have reported a striking rise in the number of residence visas and passports granted to Polish infants and toddlers.

Polish officials say that many of the adoptions are legal but that the black market is growing. And participants in such transactions say some young mothers are being pressed to sign away the rights to their children. In some cases, officials say, poor pregnant women give up their babies in exchange for

money. But most often, they say, administrators of homes for single mothers, as well as the attorneys involved in the adoptions, receive in the tens of thousands of dollars. Reports that large amounts of money have changed hands in exchange for babies are not new in Eastern Europe or the Third World. Romania became notorious for the practice after its 1989 revolution. But the issue is potentially explosive in Poland because the competition from foreigners keeps Poles from adopting Polish children and because some of the reported cases are linked to the Roman Catholic Church.

Barbara Passini, director of the state-run adoption organization, the Children's Friendship Agency, said: "There may be several hundred, several thousand, maybe even tens of thousands of cases. There is no way to know."

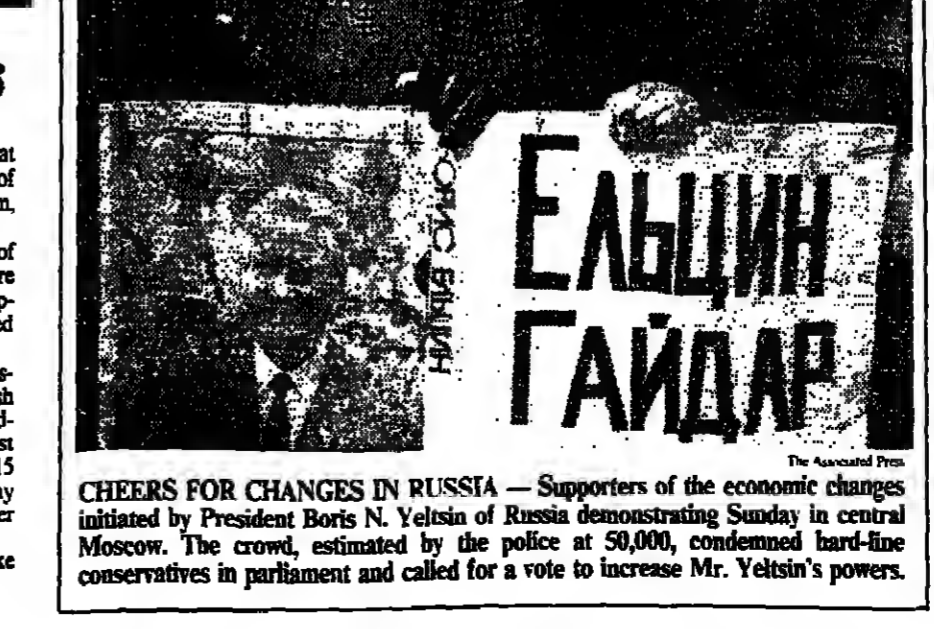
Outlook Dims on Trade Talks GATT Summit Unlikely to Break the Impasse

By Keith Bradsher New York Times Service

WASHINGTON — Hopes have faded for a major breakthrough when President George Bush and leaders of the European Community met this week to discuss the stalemate in global talks to lower international trade barriers, according to U.S. and European officials. Although some progress may be made on agricultural issues, they added, the chances for a wide-ranging deal are slim. Negotiators from the two sides met last week in London but were unable to resolve any of the pending issues, said Carla A. Hills, the U.S. trade representative.

All of the key officials needed to draft a deal will be attending the meeting Wednesday. Jacques Delors, president of the EC Commission, will be in Washington with the Portuguese prime minister, Antonio Cavaco Silva, whose country currently occupies the EC presidency. Another failure to strike a deal on agriculture would further hamper the five-year effort to broaden the free-trade rules of the 103-nation General Agreement on Tariffs and Trade. GATT rules cover most of the world's trade in manufactured goods, and the current talks would expand them to include agriculture and such services as banking, insurance, accounting and transportation.

A collapse of the talks would not only slow the opening of these new international markets but might also result in a ruinous competition among governments to determine which could afford to spend the most on subsidizing farmers. But trade officials from many nations are increasingly worried that the current round of talks, rather than collapsing, may simply drag on for so many years that countries begin ignoring them and gradually raise trade barriers.



CHEERS FOR CHANGES IN RUSSIA — Supporters of the economic changes initiated by President Boris N. Yeltsin of Russia demonstrating Sunday in central Moscow. The crowd, estimated by the police at 50,000, condemned hard-line conservatives in parliament and called for a vote to increase Mr. Yeltsin's powers.

Kabul Yields, Saying Rebels Could Form Government

Guerrillas Extend Hold Over Wide Areas, but Leaders Remain Split

KABUL — The Afghan government, its power rapidly slipping as rebels seized more territory, held peace talks on Sunday with the leader of guerrilla forces massed outside Kabul and said it believed that the capital would not be attacked. Foreign Minister Abdul Wakil did not rule out the possibility that the guerrillas would form the next government — the first such concession by Kabul in the 14-year-old civil war.

Mr. Wakil commented after a second session of talks with Ahmed Shah Masoud, a mujahidin commander who has emerged after a string of victories as Afghanistan's most powerful rebel leader. "In the past we did not contemplate the formation of a mujahidin government," Mr. Wakil said. "Now it is on the agenda, and it is not far from possible and reality that it could happen."

Mr. Masoud's forces, backed by tanks and armored personnel carriers, were poised about 60 kilometers (40 miles) north of the Afghan capital. But Mr. Wakil said, "I fully believe that the forces of brother Ahmed Shah Masoud will by no means attack Kabul."

Mr. Masoud, who fiercely resisted occupying Soviet troops in the 1980s, said he had forged an alliance, the Islamic Jihad Council, with three powerful military figures who defected with their troops and armor from the government. "Now I think a mujahidin government should come to power," said Mr. Masoud, whose alliance already controls most of northern Afghanistan and Kabul's airport. State television reported Sunday that the eastern city of Gardez was no longer under Kabul's control after the local garrison commander struck an alliance with the mujahidin leader in the region. Herat, a major city on the western border with Iran, came under mujahidin control on Friday. In a further tightening of the noose, the mujahidin news agency Media reported from Pakistan that Jalalabad, the eastern gateway to Kabul, had also fallen. There was no immediate confirmation in Kabul.

Bush Tightens Cuba Embargo, Restricting Ships

By John E. Yang Washington Post Service

KENNEBUNKPORT, Maine — President George Bush, seeking further to isolate Fidel Castro, the Cuban leader from international commerce, has moved to limit the U.S. access of ships engaged in trade with Cuba. U.S. officials say they believe that further pressure on Mr. Castro now will be particularly effective since Cuba has suffered the loss of support from its patrons in Moscow. "We want to strike while the iron is hot," one official said.

"We are closer than ever to our goal of returning freedom to Cuba," Mr. Bush said in a statement Saturday. "Castro is on his own. Cuba has lost a source of economic and military aid." Subsidies from the Commonwealth of Independent States to Cuba this year total about \$65 million, according to U.S. estimates. That equals just 6 percent of the aid Cuba received from the Soviet Union in 1991 and only 2 percent of the 1990 aid level. Mr. Bush directed the Treasury Department to require ships that trade with Cuba to have special licenses for entering American ports. U.S. trade with Cuba has been banned since Mr. Castro took power more than 30 years ago. In addition to limiting international commerce with Cuba, the move is intended to curb the movement of Cuban-made goods to the United States through third countries, officials said. Mr. Bush further instructed the Treasury Department to begin issuing licenses for the direct shipment of mailed packages from Miami to Havana. Currently, Cuba will accept packages from the United States only if they first pass through Mexico. That measure is intended to limit Cuba's access to hard currency. Shipping mail through Mexico costs \$27 a pound, some of which goes to the Cuban government, according to administration officials. Shipping mail directly would reduce the cost to \$5 a pound, the officials said.

Vertical text on the left margin including 'PEOPLE', 'Trump Seeks to Reopen Some of Divorce Matters', 'LUNDRED', 'ERIBUNE', and 'INTERNATIONAL HERALD TRIBUNE'.

Volkswagen's Approach to Eastern Europe: Use It or Lose It

Volkswagen AG, the largest automaker in Europe, recently announced that its chairman, Carl Hahn, would retire at the end of the year. Mr. Hahn spoke in Paris with Tom Redburn of the International Herald Tribune about the economic and political changes sweeping through the auto industry and affecting the future of Europe.

Q. With Western Europe in the doldrums and economic reform under political attack in Eastern Europe, why is Volkswagen investing so heavily in Czechoslovakia?

A. No. 1: We have the opportunity of history. When you don't use it, you lose it.

No. 2: We are in search of additional capacity. We have an enormous backlog and recognize there is an enormous demand to satisfy our customers.

No. 3: We see in the medium term a new potential of 100 million customers in

Central Europe, who eventually will increase their purchasing power.

No. 4: There is a highly trained population with an enormous tradition in Czechoslovakia. They used to be the center of the Austro-Hungarian industrial capacity. Today and for the future, they will have very competitive cost structures, which we badly need to compensate for high costs elsewhere in Europe. So there are a multitude of reasons for our approach.

MONDAY Q&A

Q. Has Germany become too expensive for your business?

A. We have not reduced our activity in Germany, but we have shifted our growth to other areas. We moved the factories to where the consumers are. And in doing so, we helped the consumer to develop his earning power.

Q. What are the risks of investing in Eastern and Central Europe?

A. There is in every expansion a risk.

We also see a government pursuing a sound economic policy. After all, this is a Harvard-trained government. So the risk at the moment, is simply the normal risk of downturns. And to have these additional low-cost production bases will help us in the bad times.

Moreover, the expansion enlarges our base in Europe. It makes it wider, more solid, and it opens new markets.

Q. What is the potential for the Japanese automakers in Europe?

A. We don't think the Japanese will gain automatically in the countries opening up. All Europeans will defend their position, and I don't think anyone will roll over for them.

Q. Why, then, was it necessary for the

European Community to negotiate limits on Japanese imports?

A. As a political precaution. I'm not sure we will have to use them, but they are there as a backup.

Q. Others, however, contend that the expansion of the Japanese will lead to the consolidation of the European manufacturers or perhaps the elimination of at least one major producer. Why do you disagree?

A. You must not forget that overall economic growth will be bigger than expected due to the opening up of Central Europe. As a consequence, we have no reason for panic. The European single market will also give us an enormous advantage in lowering the cost of doing business.

Q. But in the United States, the Japanese have practically driven out many European automakers, including Volkswagen. Why won't that happen here?

A. Volkswagen and the other Europeans in the United States were only peripheral

players in the whole marketplace. The American auto industry had a completely different product philosophy, and it was more open to the Japanese attack. And the Japanese attacked, originally, with extremely competitive, smaller automobiles that the Americans did not produce.

Q. On a more general topic, why has there been such a backlash in Germany against the European Union Treaty approved at Maastricht?

A. The German public is more sensitive about inflation than others and very sensitive about the Deutsche mark. Everybody is getting nervous thinking that the mark could be Europeanized.

And the European structure, even tailored after the German pattern, would be a structure where Germany would only be one among 12. So there is some apprehension.

But, overall, no country has benefited more than Germany from European unification. Consequently, I would say that we are all very much in favor of pursuing the goals set out at Maastricht.

Clinton's Aggressive Economic Agenda

By Steve Lohr
New York Times Service

NEW YORK — Bill Clinton says that if elected he will be "a different kind of president with a very different economic policy" from George Bush.

By all accounts, he would be. The Democratic front-runner wants to pull the U.S. economy in the direction of the managed capitalism found in Japan and Western Europe, where governments play a larger role in shaping industries and markets.

He is offering a bundle of programs — from tax breaks for start-up businesses to a multi-billion-dollar agency for commercial research to skills training for all U.S. workers — to accomplish the transformations.

"We need to put government on the playing field, not to manage or direct markets but mainly to help create markets," he said recently.

To his admirers in business and academia, the Arkansas governor is proposing a coherent national economic strategy to cope with the challenges of increased global competition, lagging productivity and a widening gap between the wealthy and other Americans.

To those supporters, he personifies the continuing effort of intellectuals aligned with the party to find a middle ground between traditional tax-and-spend Democrats and laissez-faire Republicans that makes economic sense and appeals to the electorate.

To his critics, the Clinton plan is simply another misguided effort to get government involved in making investment decisions best left to business and the marketplace.

In Mr. Clinton's view, the goal of government is to help create as many high-paying skilled jobs as possible. Education policy, tax incentives, subsidies and trade policy should be aimed at ensuring that companies place those jobs in the United States. The nationalities of companies creating such jobs, U.S. or not, is less important.

Because his goal is to generate skilled jobs in engineering, computerized manufacturing and other high-tech fields, he stresses that the education must supply a trained work force.

Some of the most costly programs in Mr. Clinton's platform are in education. He would, for example, expand the Head Start program to include all 3- and 4-year-olds — an annual commitment of roughly \$4.5 billion.

The biggest price tag is for his National Service Trust Fund, a guaranteed college tuition plan, which would be repaid with either postgraduation earnings or by doing two years of public service work in areas like teaching, police and child care.

By its sixth year, the college tuition scheme would cost a projected \$14 billion a year, an expense only partly eliminated by scrapping the \$6 billion-a-year federal student loan program.

Mr. Clinton also proposes requiring firms to invest up to 1.5 percent of their payrolls on training for all workers, or pay into a national

fund for training. The 1.5 percent of payroll for training would not be an increase, but today 70 percent of the funds are spent on 10 percent of the workers, mainly executives and managers.

Mr. Clinton's clearest industrial policy initiative is his recommendation for a multibillion-dollar-a-year civilian version of the Defense Advanced Research Projects Agency. Formed in 1958 after the Soviet Union's Sputnik launch, the agency promotes defense-related technology. But it has also funded research with broad civilian applications, particularly computer technology.

For a Democratic candidate, the handling of the federal budget deficit is viewed as a major test of economic competence. Mr. Clinton adamantly portrays himself as diverging from the party's big-spending reputation.

He proposes to divide the federal budget into three parts: past, present and future spending.

The past budget includes interest payments on government debt and the costs of rescuing the savings-and-loan industry. The present budget includes current spending on programs like social security and defense. The future budget would be for investment in areas like education, highways and research.

His goal is to curb the past and present federal spending while doubling the share of the future investment to roughly 18 percent — based, again, on the view that spending on things like infrastructure, education and research are needed to improve the nation's productivity and hence its living standards.



Governor Bill Clinton, brandishing broccolis at a market in Philadelphia. Unlike George Bush, Mr. Clinton says he likes broccolis.

Poll Shows Texas Billionaire Running Just Behind Bush

WASHINGTON — Among informed voters, H. Ross Perot leads the Democratic front-runner, Bill Clinton, and is within striking distance of President George Bush in the race for the White House, according to a new poll. Among people who know that Mr. Perot is

considering running as a third-party candidate, Mr. Perot has 31 percent, to 26 percent for Mr. Clinton and 37 percent for Mr. Bush, according to the poll, published this week in U.S. News and World Report.

The magazine said Mr. Perot's strength came

from people in the western United States, those earning \$50,000 a year or more and those with some college education.

According to a separate poll conducted for Newsweek magazine, Mr. Perot has the support of just 20 percent of voters.

PEROT: Dangerous Wild Card

(Continued from page 1)

two parties to amend their policies and tactics.

He could also put himself in a position to make another bid for the presidency in 1996, when the Republican nomination will be wide open.

Mr. Perot has already started reminding voters of the way he amassed his billions and took on General Motors Corp. by forcing his way onto its board of directors.

"When one considers President Bush's line that we've got the will but we don't have the wallet, well, Perot represents someone with both the will and the wallet — and the record as a problem-solver," said Kirk O'Donnell, a Democratic lobbyist.

The Bush camp's response forecasts how it might attack Mr. Perot. "Perot's got a lot of contradictions. liberal on some things, conserva-

tive on others," a senior Bush aide said. "He's not an anti-government figure. He's a guy who made most of his money off the government. He's a guy who's used the system and the old-boy network."

Mr. Perot, who supports legalized abortion and gun control, could interfere with Mr. Clinton's plan to draw voters who are unhappy with Mr. Bush on social issues.

Mr. O'Donnell said the challenge for Mr. Clinton was to "focus on becoming the candidate of change and not allow Perot to capture that mantle."

Bush campaign officials see Mr. Perot as a challenge in the Rocky Mountain region, where Mr. Bush has never been very strong. He is also seen as another complication in an already muddled California race, and as a problem in his home state of Texas, which Mr. Bush cannot afford to lose.

U.S. to Review Denials Of Disability Benefits

WASHINGTON — Reversing one of the most widely criticized policies of the Reagan administration, federal officials have agreed to reopen tens of thousands of cases in which the government denied benefits to people who said they could not work because of mental or physical disabilities.

People who prove they were wrongly denied benefits could receive substantial back payments, from \$3,000 a year to more than \$6,000 a year, for up to four and a half years of missed benefits.

The new policy is set forth in the proposed settlement of a lawsuit involving more than 200,000 people in New York state. Although the settlement applies only to New York residents, lawyers said it should set a pattern for government conduct in other parts of the United States.

The settlement affects those who were denied benefits at any point in the 11 years since the Reagan administration began a systematic campaign to purge the Social Security disability rolls. Benefits are supposed to be paid to people who cannot engage in any "substantial gainful activity."

The administration said its campaign was required under a 1980 law and was essential to control the cost of the rapidly growing disability program. The government contended that many beneficiaries were able to work, even though courts later found that thousands were helpless because of severe physical or mental problems.

The Reagan administration's efforts to purge the Social Security rolls produced a flood of lawsuits, and many judges ruled against the government.

By making substantial concessions in the proposed settlement, federal officials will avoid a court order that could have been more burdensome and more embarrassing to the government in this election year. President George Bush and the Social Security commissioner, Gwendolyn S. King, have repeatedly said their policies are "kinder and gentler" than those of the Reagan administration.

WORLD BRIEFS

Yemeni Seizes 2 Saudis at Embassy

NICOSIA (Reuters) — A Yemeni gunman took the Saudi ambassador and his counselor hostage in the Saudi Embassy in San'a, Yemen, on Sunday and threatened to blow up the building unless he was given \$5 million, the Saudi Press Agency said.

The agency said the man got past the embassy's Yemeni guards, went into the ambassador's office and confronted the diplomats with a handgun, grenade and two pistols from his briefcase.

There has been strong anti-Saudi sentiment in Yemen in the past following a sharp deterioration in relations between San'a and Riyadh over the Gulf War. Yemen supported Iraq, and more than 850 Yemeni expatriate Yemenis were subsequently expelled from Saudi Arabia and other Gulf states.

Paris Revives AIDS Discovery Claim

PARIS (Reuters) — France's minister for research demanded Sunday that the United States renegotiate an accord sharing lucrative royalties from the discovery of the AIDS virus in the light of new evidence.

The minister, Hubert Curien, made the call after the newspaper Liberation published what it said were the findings of a U.S. report on the dispute over whether Professor Luc Montagnier of France or Dr. Robert Gallo of the United States first discovered the HIV virus.

Liberation said the report, by the National Institutes of Health's Office of Scientific Integrity, criticized Dr. Gallo for failing to acknowledge the French Pasteur Institute's role but cleared him of accusations that he knowingly plagiarized Dr. Montagnier's work. The report did not say that Dr. Montagnier had been first to isolate the virus, Liberation said.

Winnie Mandela's Alibi Questioned

JOHANNESBURG (Reuters) — South African newspapers published fresh allegations against Winnie Mandela on Sunday that they said cast doubt on an alibi she had given during her trial on kidnap and assault charges.

The Sunday Star and the Sunday Times said they had evidence challenging Mrs. Mandela's defense that she was in the Orange Free State town of Brandfort when her bodyguards beat four youths at her home in Soweto in December 1988. Mrs. Mandela is on bail pending an appeal against her conviction for kidnapping the four youths and acting as an accessory to the assaults.

She was acquitted of the more serious charge of direct assault, because the judge took account of her alibi that she was in Brandfort at the time. But the Sunday Times said records kept by a Soweto doctor, Abu Romeo Asvat, who was later murdered, showed that Mrs. Mandela gave the court the wrong date for a visit she had paid to him.

Rally in Taiwan Backs Direct Vote

TAIPEI (Combined Dispatches) — Thousands of protesters took to the streets Sunday calling for direct presidential elections, accusing the ruling Kuomintang of failing to back democracy in Taiwan.

About 10,000 marchers, carrying banners telling the government to let people make their own decisions, took part in what is expected to be a three-day protest organized by the opposition Democratic Progressive Party.

For the Record

Chicago crews have finished plugging holes in a tunnel that ruptured and flooded the city with millions of gallons of river water. Draining the water from the Loop district tunnel network could take weeks, officials said.

TRAVEL UPDATE

Seville Gets Expo '92 Ready to Open

SEVILLE, Spain (AP) — Thousands of workers put the finishing touches on the pavilions of Expo '92 on Sunday ahead of the opening Monday by King Juan Carlos I and Queen Sofia.

Spain has invested \$10 billion in roads, bridges and other infrastructure for the Expo, including construction of a high-speed train that connects Seville with Madrid. Because of threats by ETA, the armed Basque separatist group, the government has deployed 10,000 security personnel to guard the Expo site and thousands more to protect the new train.

In Spain's North African enclave of Ceuta, hundreds of people were stranded for the second day Sunday when ferry workers stayed out on strike to protest the suspension of 24 workers, an employee said in Algeciras, Spain.

Algeria pilots plan a 24-hour strike on April 27, a union spokesman said over the weekend in Rome. Pilots want working conditions and pay brought into line with those of other major European airlines. (Reuters)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Andorra, Australia, Austria, Bahamas, Barbados, Belgium, Belize, Benin, Brunei, Botswana, Burkina Faso, Canada, Central African Republic, Chad, Czechoslovakia, Denmark, Finland, France, Gabon, Germany, Greece, Guatemala, Grenada, Guyana, Hong Kong, Hungary, Iceland, Ireland, Italy, Ivory Coast, Jamaica, Kenya, Lesotho, Liechtenstein, Luxembourg, Macao, Madagascar, Malawi, Mali, Monaco, Namibia, Netherlands, New Zealand, Niger, Nigeria, Norway, Papua New Guinea, Poland, Rwanda, San Marino, Senegal, Sierra Leone, South Africa, Switzerland, Sweden, Switzerland, Tanzania, Togo, Uganda, Vatican City, Zimbabwe.

TUESDAY: Brazil, Vatican City.

THURSDAY: Iceland, Turkey.

FRIDAY: Cyprus, Ethiopia, Greece, Israel, Lebanon.

SATURDAY: Australia, Cyprus, Egypt, Israel, Macao, New Zealand, Nicaragua, Portugal, Switzerland.

Source: J.P. Morgan, Reuters.

The Weather

Forecast for Tuesday through Thursday



North America: Showery rains will douse a broad area centered on Tuesday in the Great Lakes Tuesday. It may show some sun in the West. Strong thunderstorms may hit the southern states Tuesday. New York City will be mild and dry into midweek. Southern California will be dry as well.

Europe: A few showers are likely Tuesday in Germany. It may show some sun in Japan and Korea. It may be showery in Tokyo Wednesday. In London, most of the time will be dry. There will be plenty of warming sunshine in Spain, Italy and southern France.

Asia: Tokyo will be windy and mild Tuesday. Heavy showers may meet western Japan and Korea. It may be showery in Tokyo Wednesday. In Hong Kong and Taipei, it will remain muggy with a passing downpour. Southeast Asia will have heavy rain and drizzle.

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Greece Dr.	65,000	91,000	36,000
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Luxembourg L.F.	13,000	20,000	7,000
Netherlands Fl.	710	1,183	390
Norway N.Kr.	3,300	5,056	1,800
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Checks Direct Vote

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UPDATE

'92 Ready to Open

Standards of workers put the... '92 on Sunday ahead of the...

DEATH-PENALTY PLEA

Demonstrators in San Francisco... some carrying cardboard...

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Gingrich, House Ethics Watchdog, Is Forced From Attack to Defense

By Peter Applebome

New York Times Service

There's a difference... Newt Gingrich tells audi...

outrage, one of the more telling episodes... is playing out here. Mr. Gingrich, who is...

Using his perch as the minority whip... led the battle to identify the members of...

Gingrich faces a welter of questions... about whether he has been practicing...

And Herman Clark, a former state... representative who is Mr. Gingrich's Repu...

become just another congressman, part... of the inside-the-Beltway gang up there.

Panama, Fearing Loss of Jobs, Is Not So Sure It Wants U.S. to Go in '99

By Shirley Christian

New York Times Service

PANAMA CITY — With less than... 10 years to go until the United States is...

to killings, protests and flag burnings... in the U.S.-occupied area bordering the...

proceeding on schedule, according to... Panamanian and U.S. officials.

The United States would over invade... Panama.

actual value to the Panamanian economy... was closer to \$600 million.

As things stand, both governments... are moving toward the complete turnover...



Cheyenne, Wyoming, Nation's Politest City

The 50,000 residents of Cheyenne, Wyoming, have the best manners of any city in the United States, according to Marjabelle Young Stewart of Kewanee, Illinois.

AMERICAN TOPICS

About People

Two years ago some students at Wellesley College objected to getting Barbara Bush as a commencement speaker, saying she had believed nothing on her own.

Short Takes

To usher in the age of high-definition television, or HDTV, the Federal Communications Commission proposes to give TV stations a second channel to broadcast in the oev format.

at all, which succumbed to budgetary exigencies in 1976.

Chancellor Ann Reynolds proposes raising annual freshman tuition — not including room and board — by \$600, to \$2,450, and tuition for other students by \$350, to \$2,200.

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602 flights every week to 72 destinations in 36 countries across four continents on Thai INTERNATIONAL one of the world's fastest growing airlines. [Large graphic with many arrows pointing in various directions] Thai Smooth as silk.



An elderly woman praying during an Easter sunrise service in Seoul's Voids Plaza on Sunday.

9 Slain in Philippine Easter

Violence Blackens Religious Fetes Around the World

ILIGAN, Philippines — A grenade explosion ripped through a Roman Catholic procession on Easter Sunday here in the southern Philippines, killing 9 worshippers and wounding 70, many of them children consumed as angels.

Gun battles or street violence also marred Easter observances in Yugoslavia, South Africa and part of the former Soviet Union, despite appeals for peace from church leaders and politicians.

In his traditional Easter message from St. Peter's Basilica at the Vatican, Pope John Paul II prayed for peace and condemned war. He called for an end to fighting in the new republic of Bosnia-Herzegovina and in the enclave of Nagorno-Karabakh in Azerbaijan.

Philippines police officials said an unidentified man turned a pre-

down celebration into a bloodbath when he tossed a grenade into a crowd watching a procession carrying statues of the resurrected Christ and the Virgin Mary. The dead included four children.

The explosion touched off panic among the estimated 7,000 worshippers, who ran for safety, trampling the dead and wounded, the Philippines News Agency reported.

In Jerusalem, thousands of Christian pilgrims turned out for the most festive celebration of Christ's resurrection in the five years of a continuing Palestinian uprising against Israeli occupation.

"This year I saw so many more people than three years ago," said Father Louis, an Italian missionary from Tanzania, who was on his second pilgrimage to Jerusalem. "It is very joyous and altogether more peaceful."

In South Africa, President Frederik W. de Klerk shared a podium with Nelson Mandela of the African National Congress and Chief Mangosuthu Buthelezi, the Zulu leader. Mr. de Klerk appealed for peace to about a million black church members.

But in a township south of Johannesburg on Sunday, gunmen killed eight members of a family, African National Congress sympathizers attacked and killed a suspected member of the Zulu-hated Inkatha movement.

According to TV reports in the former Soviet Union, more than 50 people died in recent Azerbaijani shelling of the predominantly Armenian village of Maraga, just north of the Nagorno-Karabakh. And in Bosnia-Herzegovina, fresh fighting over the weekend dimmed hopes of averting civil war.

Fujimori Rival Seeks Control

LIMA — Vice President Maximiliano San Román said Sunday that he would form a rival government to oppose President Alberto Fujimori, who two weeks ago imposed military-backed one-man rule.

Mr. San Román, who returned late Saturday from the United States, said Peru risked international isolation if it did not restore the government dissolved by Mr. Fujimori.

"If democracy is not restored, sanctions will be imposed," Mr. San Román said. "Democratic nations support other democracies, not dictatorships."

On April 5, Mr. Fujimori suspended the constitution, dissolved Congress and closed the judiciary. He said the courts and the legislature were blocking his plans to lift the country out of a deep recession, to combat the Shining Path guerrilla movement and to crack down on drug traffickers.

Peruvian lawmakers meeting in secret since the legislature was shut down have declared Mr. Fujimori's post vacant and have chosen Mr. San Román to replace him.

Mr. San Román, 46, said he would set up his own cabinet and on Monday would announce the date he would be sworn in as president.

Foreign governments have suspended aid since the moves by Mr. Fujimori. The United States has frozen all future aid except food to nongovernment organizations.

Opinion polls show overwhelming support for Mr. Fujimori's plans to overhaul what he says was a do-nothing legislature and a corrupt judiciary. He has promised a speedy return to democracy.

João Clemente Baena Soares, secretary-general of the Organization of American States, will head a delegation to arrive Tuesday for talks with Mr. Fujimori and opposition leaders to push for the restoration of democracy.

In Washington, monetary sources said that Peru's austerity program had met the International Monetary Fund's goals for the first quarter, which could help it obtain money from the lending agency.

Peru passed the IMF's test although it and other lending agencies have condemned the suspension of the constitution.

If Peru continues to meet its goals for several more quarters and makes its loan repayments, it will be eligible to receive fresh funds from the IMF and the World Bank, the sources said. (AP, Reuters)

GATT: Prospects for a Breakthrough Have Dimmed

(Continued from page 1)

mercial aircraft industry, U.S. and European officials said. A draft pact reached on March 31 has been put on hold because of a dispute over subsidy levels approved informally by negotiators.

The talks Wednesday will follow the quiet passing on Sunday of yet another GATT deadline.

Arthur Dunkel, the director-general of the GATT secretariat, had called for the five-year negotiations to end by Easter after trade officials missed his deadline in mid-January.

The negotiations were originally scheduled to end in December 1990, and then in December last year. Mr. Dunkel said last week that he would give up on setting deadlines.

Even a modest breakthrough this week seems likely only if the White House steps into the negotiations and orders a few concessions on farm subsidies that U.S. negotiators have been refusing to make, Republican strategists said.

Such a move has been discussed repeatedly among Mr. Bush and

European leaders. If that move was made this time, it would offer the political advantage of making the president appear to be accomplishing something in trade talks.

Some White House officials, particularly at the National Security Council, have become increasingly concerned that an impasse in the talks could imperil progress already made on such issues as allowing Western banks to do business in Third World countries.

But Mrs. Hills ruled out U.S. concessions on the two most contentious issues. One involves whether to restrict the tonnage of subsidized farm exports as well as the money spent on subsidies. The other involves whether to allow European countries to raise tariffs on some agricultural imports if they lower tariffs on other farm products.

With a breakthrough on agriculture, she said, the talks could move quickly.

"If the parties work with energy and goodwill," Mrs. Hills added, "I could see within six to eight weeks we could have an agreement completed."

But other trade officials on both

sides of the Atlantic are less optimistic. They warn that it could take as long as five months to resolve complex technical disagreements on how much manufacturing tariffs should be reduced and whether telephone equipment markets should be opened.

Mrs. Hills blamed the Europeans for the impasse last week in London. She said that the EC's 12 member nations were still divided over what their priorities should be.

One European official said that EC trade ministers had given their negotiators a long and specific list of objections to the draft text now under negotiation.

The same European officials have also overseen the talks on commercial aircraft subsidies. At issue is the extent to which governments may help aircraft manufacturers indirectly, mainly through military and research contracts that produce technology with commercial applications.

European and U.S. negotiators have hardened their stances following press accounts of the dispute, and the issue increasingly appears in need of a political solution, officials said.

Drought Turns Hope to Dust in Northeast Kenya

By Keith B. Richburg

KARGI, Kenya — The 12 women, barefoot under a scorching midday sun, stood in a ragged semicircle outside the mud-and-thatch hut. Their rhythmic clapping and chanting might have been a song of joy; instead, they were exhorting the bearded elders to use their influence with the gods to ward off cross-border bandits threatening to steal the villagers' remaining livestock.

About a mile away, a 28-year-old nomad named Guturo Ilmanyori was keeping a watchful eye over the last of the village's camel flock. In just two months, he has seen 17 of the animals die from dehydration. Eight of his own camels have been lost, and two of his five remaining camels are sick with disease. There is water farther north, closer to the border with Ethiopia. But that is bandit territory and must be avoided. So the camels continue to die.

Members of Kenya's tiny Rendile tribe are among the hardest-hit victims of the most

devastating drought to strike this country's barren northeastern region since 1984. Already, the drought has killed thousands of camels and cattle and has caused widespread hunger in some remote districts. It also is threatening the way of life of the Rendile, a nomadic tribe whose members measure wealth and prestige by the size of their herds.

"If they lose their animals, they lose their identity," said the Reverend Muddi Augustine, a Roman Catholic priest in Kargi. "Somebody with 200, 300 head of cattle now has only 20."

Without their cattle and camels, the nomads have no hides, meat or milk to trade or sell for food, and they subsist on emergency relief supplies from international agencies, such as the United Nations Children's Fund, and from Catholic missions in the area.

Here in Kargi, the priest and the village chief estimate that 58 percent of the children are malnourished, with 41 percent severely underfed.

"There is a danger of death," Father Augustine said.

The drought in Kenya's northeast was preceded by below-average rainfalls since early 1991. There has been no coordinated government effort to alleviate the suffering. "We are asking for famine relief," Father Augustine said.

Electricity rationing is in effect in Nairobi because of disruptions in the hydroelectric supply because of low rainfall, with most neighborhoods having electricity turned off for six hours each day. The rationing also is having a dramatic impact on Nairobi's industrial output, with factories shutting down for half of the workweek.

Kenya's opposition politicians have accused the government of having failed to plan properly for the crisis.

Oginga Odinga, interim chairman of the Forum for the Restoration of Democracy, said that backup thermal and gas turbine plants in south Nairobi and Mombasa were supposed to provide backup generation, but that the plants had not been maintained adequately.

A similar drought in Africa's southern region — described as the worst in this century — has wiped out crops in South Africa and Zimbabwe, while forcing electricity rationing and emergency transmissions of power from Zaire. An estimated 113 million people are affected by that drought, which has received widespread publicity.

The drought in northeastern Kenya, which also is affecting parts of southern Sudan and Ethiopia, seems less severe only because this isolated region is less densely populated. The inhabitants here are primarily nomadic herders such as the Rendile and the Samburu.

One member of the Samburu tribe, in the village of Loyangalani, said he had only 10 cattle left from a herd that numbered "very many." Now he is worried that he can no longer support his two wives and five children, who have moved down from the mountains to seek refuge and food handouts in the village center.

"We are afraid the children might die," he said. "Maybe we will all die. But we will at least be here together, with others."

Japan Spells Out Compromise on Kurils

By T.R. Reid

TOKYO — Foreign Minister Michio Watanabe has suggested that a significant compromise may be in the works to end the 47-year-old territorial dispute between Japan and the former Soviet Union over the Kuril Islands.

Mr. Watanabe said Japan might agree to an immediate return of two of the four islands, off Japan's northern coast, if there were a promise that the rest would be returned at a fixed date in the future.

He said Saturday that Japan had suggested such an approach in talks with Russian officials and that the offer was under consideration in Moscow.

Such a compromise would mean that Japan could play a full role in the Group of Seven industrialized democracies' joint aid plan for the former Soviet republics.

Japan has been reluctant to offer aid, regarding it as a potential bargaining chip to regain the islands.

A resolution would also clear the way to a peace treaty for the only World War II combat-

ants that have yet to sign one, so they could focus on other aspects of a bilateral relationship.

The disputed Northern Territories, as Japan refers to the Kurils, extend northeast from Hokkaido toward Siberia's Kamchatka Peninsula. The closest of the Russian-held islands is less than a mile from the Japanese coast.

The Kurils are mountainous, cold and remote, but they are set amid one of the Pacific's premier fishing grounds. Japanese have lived on the islands and fished the waters for at least 300 years.

That came to an end in August 1945, a few days after Japan surrendered at the end of World War II, when the Soviet Army arrived and ordered the 17,000 islanders to leave. Ever since, Soviet patrol boats have prevented the Japanese from returning to their homes and from fishing off the islands.

For both countries, the dispute now mainly seems to be one of principle.

Given the current economic straits of the former Soviet republics, the Russians have

looked to their wealthy neighbor for major assistance.

Tokyo is feeling pressure from the rest of the developed world to help the Russians. But on a political level here, no Japanese government could approve a large aid grant without a breakthrough on the territorial dispute.

President Boris N. Yeltsin of Russia will visit Japan in September.

As long ago as 1956, there was talk of a "two islands plan," in which the then-Soviet side would return two of the four Kurils to Japan. Tokyo rejected the idea.

But on Saturday Mr. Watanabe said Japan would be willing to accept a modified version of that approach, as long as there was a promise that the two remaining islands would eventually be returned to Japanese control.

The basic plan that Mr. Watanabe mentioned calls for Japan to gain immediate control over the two smaller islands in the group. Russia would then acknowledge Japan's right to own the other two, but would continue to govern them for a set number of years before returning full ownership to Japan.

China Population At 1.158 Billion


Reuters

BEIJING — China's population reached 1.158 billion at the end of 1991, the Xinhua news agency said Sunday. The national birth rate last year was 19.68 per thousand, the State Statistical Bureau said, with about 1.25 million fewer Chinese born in 1991 than in 1990.

China's strict birth control policies kept 1991 population growth under state-set limits in all cities and provinces except Tibet and the southwestern region of Guangxi, State Statistical Bureau figures showed.

Officials at the State Family Planning Commission warned, however, that China faced a possible "baby boom" this year because 123 million women are entering their prime child-bearing age of 23 to 29, an increase of 16 percent over the 1985-90 period.

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Kenya

dar drought in Africa's... described as the worst in... wiped out crops in Somalia... above, while forcing... emergency... Zaire. An estimated 113... affected by that drought... widespread... ought in northeastern Kenya... parts of southern Kenya... seems less severe only because... region is less densely populated... as the Renoie and the... member of the Samburu... Lovangiani, said he had... from a herd that numbered... Now he is worried that... have moved down from the... seek refuge and food handouts... re afraid the children might... as we will all die. But we... here together, with others."

Want a Used Communist Truck? Come See 'Crazy Gerhard' at His Baltic Sea Lot

By Marc Fisher
Washington Post Service
GERMANY — Gerhard... the world's largest used... row of Soviet and East... military vehicles lined up as far as the... of this air base on the Baltic coast... hospital trucks, dump trucks, radar... personal carriers, water trucks, am... vehicles, even trucks that lay pontoons... it, and Mr. Ballschmieter has them by... When East Germany was folded into its... brother, reunited Germany became... the Communist state's 'National People's... So former East German bases, like this one

on the Baltic Sea coast where Werner von... Army — tens of thousands of tanks, fighter... planes, vehicles and smaller weapons, as well... 300,000 tons of ammunition.
At first, Germany's military was curious... Finally they could examine every product of the... eastern war machine. But Bonn's experts, along... with their NATO allies, quickly concluded that... most of what the Soviet bloc had produced was... either not up to snuff or was incompatible with... Western products.
And the windfall of military materiel came at... the worst possible time, just as Germany, like... the United States and other countries in Euro... pe, was scrapping huge volumes of its own... equipment and weaponry in compliance with... arms reduction treaties.
Fairly recent German-built trucks in good... running order are going for \$2,000 to \$2,500, he

said. The East German national seal on the... door comes at no extra charge.
Germany is eager both to unload the stuff... and worried that the sales could fuel criticism... that Bonn is too lax about foreign nations... stocking their military depots.
The role German companies played in build... ing up Iraq's nuclear and chemical industries... as well as Turkey's use of East German tanks... which Bonn had given to its NATO ally... against its Kurdish minority, have made Ger... man officials particularly sensitive to the idea... that the country might be carelessly distribut... ing East German materiel.
Earlier this month, German authorities... seized 33 former East German military trucks... at the German-Austrian border; the trucks

were marked with Red Cross symbols, but... customs officials believed they were headed for... Croatia.
Two days later, nearly all of the trucks were... released after Bavarian prosecutors said they... had insufficient evidence that the trucks were... going to be illegally exported. Only two of the... vehicles, including one outfitted with machine... gun mounts, were confiscated; their drivers... were charged with violating export laws.
Germany already has netted about \$80 million... from sales of East German materiel to NATO... allies and other friendly countries.
More than 70 countries have expressed interest... in equipment produced by what was reputed to... be the East bloc's most advanced economy.
Germany will spend nearly \$100 million to... junk military equipment this year and will in-

crease that sum to about \$150 million next year.
More than 4,000 jobs have been created as... private firms win contracts to dismantle and... discard 15,000 tanks and artillery pieces as well... as 223,000 tons of munitions.
Some of the trucks stored here are to be given... away to former Soviet republics for civil use... and others are being donated to East German... cities for their road and construction depart... ments.
But most are being sold to individuals for... private use, Mr. Ballschmieter said, with a few... going to collectors.
Spare parts are a problem, Mr. Ballschmieter... said, because there are none. But buying an... extra truck or two should cover any potential... problems, he added, hopefully.

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A Tangled Tale of Weaponry

Inquiry Into Whether Saudis Shifted U.S. Arms to Syria

By Gary Lee
Washington Post Service
WASHINGTON — The Senate majority leader... George J. Mitchell of Maine, said Sunday that... Congress was investigating whether the White House... secretly prepared Saudi Arabia to deliver U.S. arms to... Syria, despite restrictions on... such transfers and without notifying Congress.
Mr. Mitchell said he did not know whether a violation of the law... occurred or not. Mr. Mitchell said on an NBC News... program.
The Los Angeles Times reported Saturday that... beginning in the mid-1980s, Presidents Ronald... Reagan and George Bush allowed Saudi Arabia to transfer... U.S.-made weapons to Iraq to sidestep congressional... restrictions on arms shipments. The White House is... required to notify Congress when transfers take place... without formal U.S. authorization.
Mr. Mitchell said he had not been informed of the... transfers and did not know whether other lawmakers... had been told.
"First, we have to determine that the transfer... occurred," he said.
"If it occurred," he added, "we will have to look at... the circumstances, find out what equipment, and what... the circumstances were, whether a reprimand is just... ified, and then determine the appropriate remedy."
The newspaper said it based its report on classified... documents.
Mr. Mitchell also criticized a recent decision by... China to deny visas to two U.S. senators, David L... Boren, an Oklahoma Democrat, and Claiborne Pell... Democrat of Rhode Island. The refusal, he said on the

television show, "is further evidence of the arrogance... of the Chinese government and their knowing that no... matter what they do, the president's not going to react... It is further evidence of the total failure of President... Bush's policy toward China."
Mr. Mitchell said that he and other lawmakers... would again seek to end China's most-favored-nation... trading status with the United States.
■ U.S. Prods Syria
The Los Angeles Times reported from Kernebank... port, Maine:
The Bush administration is employing diplomatic... pressure to urge Syria to return the U.S.-made military... vehicles its forces took from Saudi Arabia at the end of... the Gulf War, senior U.S. officials said over the... weekend.
The officials confirmed a Los Angeles Times report... that both Syria and Bangladesh had taken possession... of the vehicles after being permitted by Saudi Arabia... to use them as part of the U.S.-led coalition against... Iraq.
But they insisted that the administration had not... acquiesced in the arrangement and had protested the... Syrian action. They also said that the vehicles were... trucks and were not subject to a U.S. law prohibiting... the transfer of weapons to third parties.
Mr. Bush denied separately that his administration... had authorized the transfers from Saudi Arabia to... Syria and Bangladesh.
"No," Mr. Bush said during a walk on the beach as... he was asked whether the United States allowed the... secret shipments.



A Finn getting his hair cut by a fellow soldier at their United Nations base at Zagreb airport.

Yugoslav Forces Pound Bosnia City

SARAJEVO, Bosnia-Herzegovina — Yugoslav armor forces... attacked a large city in western Bos... nia-Herzegovina on Sunday, and... battles flared in other parts of the... former Yugoslav republic, which... dimmed hopes of preventing civil... war.
The Serb-led Yugoslav Army... pounded the western city of Mostar... with artillery and shells after Mus... lim forces ignored an ultimatum to... hand over two Yugoslav Air Force... pilots, the Serbian-based Tanjug... press agency reported.
Army sources confirmed the re... port. Tanjug said that apartments... were in flames and shells were... landing near a sports stadium and... university buildings, but that many... of the city's more than 100,000 in... habitants were in shelters.
Sarajevo radio and Croatian ra... dio reported that Yugoslav Air... Force jets bombed Croatian posi... tions near Neum while the Yugo... slav Army shelled them. The radio... reports could not be confirmed.
Bosnia has three major ethnic... groups: Serbs, Croats and Mus... lims. Serbs want their areas to re... main part of Yugoslavia, while the... Muslims and Croats, who support... ed independence, oppose breaking up... the republic.
The army went on the attack... despite foreign governments' accu...

KABUL: Rebels Extend Control

(Continued from page 1)
variants with Mr. Masoud — the... UN plan which a central 15-... man council would be set up, and... formation of a mujahidin-led govern... ment.
Meetings in Pakistan, meanwhile... leaders from 10 Afghan rebel... groups agreed on Sunday to form... an interim council to negotiate with... the remnants of the Kabul govern... ment.
A Pakistan Foreign Ministry... spokesman said there was general... agreement on an orderly transfer of... power.
But the most hard-line fundamen... talist rebel faction, the Islamic... Party, led by Gulbuddin Hekma... tyar, rejected the plan.
"We don't see any prospect for a... solution," said Mr. Hekmatyar's... spokesman in Pakistan, Nawab Sa... im. "It's not a joke. Either the

AFGHANS: Seeking Solution

(Continued from page 1)
and Western governments for a... peaceful settlement.
Mr. Masoud has ordered his es... timated 15,000 fighters, as well as... allies among Afghanistan's ethnic... militia forces, to form a ring... around Kabul and protect it from... any assault by Mr. Hekmatyar, ac... cording to a Masoud spokesman in... Pakistan.
Mr. Masoud, an ethnic Tajik... who controls a large swath of... northern Afghanistan, has also sent... a radio message to fellow rebel... leaders in Pakistan, asking them to... form an interim government quick... ly because "the situation is getting... out of control."
Kabul remained calm on Sun... day, reports from the capital said.
While the questions to be decid... ed around Kabul are old ones, the... forces in a position to influence the... outcome are new ones empowered... by Afghanistan's recent war. Mr... Masoud and Mr. Hekmatyar, for... example, are engineers by training... and have no traditional claims to... authority, such as tribal or family... prominence.
As Afghanistan returns to its his... torical struggles, these leaders... whose legitimacy stems from their... weaponry and reputations for... prowess against Soviet troops must... reckon with tribal leaders whose... ancient authority is unquestioned... by many.
An example of these convoluted... conflicts surfaced along the Paki... stan-Afghan border, where mem... bers of General Najibullah's Ah... madzai tribe vowed to storm Kabul... and rescue the president to pre... serve tribal honor.

24 Killed in Bangladesh

DHAKA, Bangladesh — Twen... ty-four people died and 11 were... critically injured when a truck... overturned on a highway in central... Mymensingh, the BSS news agency... reported Saturday.

IRAN: President Rafsanjani Strives to Convince World He's a Thoroughly Modern Mullah

(Continued from page 1)
continuing political risks of being too closely... aligned with the West, Mr. Rafsanjani said... in his Friday sermon: "The West is drumming... up confusion and pandemonium in their... newspapers by saying that after these elec... tions, the government of Iran will become... more and more Westernized. That is a lie."
Elected to a four-year term as president in... 1989 with 95 percent of the vote, Mr. Rafsan... jani appears to be headed toward another... major electoral victory in parliamentary vot... ing, in which he engineered the candida... tion process to exclude some of his most... troublesome opponents.
If the results of the recent first round of... the elections are echoed in next month's... runoff, he will enjoy a clear majority in the... legislature, a development that will present... him with a strong mandate to pursue his... changes and the most important challenge of... his political career.

"So many changes have occurred so far, and... more major things are yet to come," said... Moshen Adeli, the American-educated di... rector of the Central Bank and a close ally of... Mr. Rafsanjani. "Of course, it depends on... how society can absorb it, and the more it... can, the more we will introduce our policies."
A senior official in another ministry put it... more bluntly.
"The country has become corrupt and the... people are losing their spirit," the official... said. "They have sacrificed for too long... Rafsanjani is the last chance."
To date, the results of Mr. Rafsanjani's... efforts have been inconclusive. Since the end... of the Gulf War, his country has re-estab... lished or improved relations with a number... of European, Middle Eastern, and Asian... countries but has failed to attract much for... eign investment or many foreign loans.
Mr. Rafsanjani, 57, is an agile politician... who speaks like the people, not like the... religious aristocracy, and knows how to ca...

He did not tell the faithful that one of the... channels with the Americans was a close... relative, by many accounts his nephew Ali... Hashemi Bahramani.
According to Ayatollah Mohajjerei, an... aide to Mr. Rafsanjani, the clearest exam... ple of his pragmatic approach to policy was... Iran's neutrality in the Gulf War and its... aftermath. Even when Iraq attacked rebels in... the Iraqi city of Kerbala, one of the holiest... centers of Shiite Islam, slaughtering res... idents and damaging the sacred shrines, Iran... did not intervene, despite the revolutionary... principle that Islam has no borders.
One of his biggest challenges will be to... satisfy hard-liners like Ali Akbar Moata... shi, the former interior minister and an... enemy of Mr. Rafsanjani, who, in a news... conference in early April, referred to those... favoring an "open-door policy and free-mar... ket system" as "rightists" who "either want... to obliterate the revolutionary process or to... make it fade away."

He did not tell the faithful that one of the... channels with the Americans was a close... relative, by many accounts his nephew Ali... Hashemi Bahramani.
According to Ayatollah Mohajjerei, an... aide to Mr. Rafsanjani, the clearest exam... ple of his pragmatic approach to policy was... Iran's neutrality in the Gulf War and its... aftermath. Even when Iraq attacked rebels in... the Iraqi city of Kerbala, one of the holiest... centers of Shiite Islam, slaughtering res... idents and damaging the sacred shrines, Iran... did not intervene, despite the revolutionary... principle that Islam has no borders.
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London Leads As Europe's Crime Capital

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It found that London had the... highest total number of... crimes although Berlin had a... higher rate of violent crime.
Bangladeshi and car crimes... were particularly high in London... There were 68.2 serious... property crimes per 1,000 popu... lation in London in 1990, com... pared with 45 in Paris and 32.5 in Rome.
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(Continued from page 1)
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Mrs. Passini said she expected... such transactions to increase. "We... live in a country where poverty and... misery climb out of every window... What kind of countries give up... their babies, their futures, for ad... option? Only poor ones. Until every... Polish family is eating bananas... every day, this will go on," she said.

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S. and Vietnam Start Major Search for MIAs

HANOI — The United States... and Vietnam announced the... launching Sunday of their largest... joint effort to account for missing... American servicemen, involving 58... U.S. military experts and 75 Viet... namese working over two-thirds of... the country.
The search is the 17th since joint... operations began in 1988, but the... first since the U.S. assistant... secretary of state for East Asian and... Pacific affairs, Richard H. Solo... mon, visited here in March and... obtained a five-point pledge from... Hanoi to cooperate in the search.
The Defense Department lists... 2,266 Americans as unaccounted... for in Southeast Asia, including... 1,665 in Vietnam.

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Herald Tribune

Published With The New York Times and The Washington Post

How Much Aid for Russia?

Russia's political crisis seems to have abated, and President Boris Yeltsin's government has overcome the most serious challenge so far to its painful economic reforms. There is no question that the reformers, as they struggle to stabilize employment and production, are being greatly strengthened by the promise of substantial foreign aid.

The strains on the Russians over the winter have been enormous, as the prices of many household staples tripled or quadrupled. A political reaction was inevitable. The recent Congress of People's Deputies turned sharply against the government. But now, after much intense parleying, a compromise has emerged. The congress has voted again, this time to hold its anti-reform amendments in abeyance and to leave the government in place, pushing a democratic Russia toward free markets. The West needs to keep this in mind as an example of the healthy influence that the prospect of foreign aid can exert.

How much aid? Early this month President George Bush and the heads of other rich countries pledged a package of \$24 billion—\$6 billion to stabilize the ruble and \$18 billion in aid to carry Russia to the end of this year. The International Monetary Fund is emerging as the central architect of this operation, and it says that the other 14

former Soviet republics will need an additional \$20 billion to carry them through the year. And beyond 1992? It is reasonable to suppose that the 15 republics together will require more than \$100 billion in foreign funding during the next four years.

That is not an impossible figure. It represents the amount of financing that Russia and the other republics will need to buy enough imports to get their economies growing. But it does not have to be entirely public money. Over time, if the aid is successful, an increasing amount of that financing will be private investment.

But why any public money at all? It comes down to the coldest kind of self-interest on the part of the donors. The IMF points out that economic growth in the 15 republics will mean greater economic growth worldwide. The republics are already major producers of commodities that the world needs — the list begins with oil and gas. If growth generates the money with which to buy, they will become a huge market for Western exports. American aid to Russia and its neighbors is an investment not only in their prosperity but — like the Marshall Plan a generation ago — in American prosperity as well.

—THE WASHINGTON POST.

The Last Cat's-Paw War

With the collapse of a Soviet-installed regime in Kabul, not just a war but an era has ended. Afghanistan was one of seven devastating cat's-paw wars, all fought in impoverished Third World societies, between belligerents backed by either Moscow or Washington. As the last of these proxy battles gutters out, Americans are left wondering whether they should still care.

Consider Afghanistan. Its politics were messy, ethnic and nonaligned until 1978, when an ultra-leftist faction seized power. A conservative tribal rebellion followed, and in 1979 Soviet troops poured in to save a Marxist client regime. Thus began a bloody stalemate that cost two million lives and turned one of every three Afghans into refugees.

Washington seized the moral high ground by working with Pakistan to smuggle arms to Afghan "freedom fighters" opposing Soviet occupiers. But what is right in principle may be wrong in practice: Too much aid was diverted to anti-Western zealots who despised democracy.

Hence the likelihood of more bloodshed now that President Najibullah's Soviet-installed regime has collapsed. Fundamentalists like Gulbuddin Hekmatyar reject a United Nations plan for holding elections and jostle for rule-or-ruin war. His chief opponent

is the formidable guerrilla warlord Ahmed Shah Masoud, an ethnic Tajik. Since tribal lines cross frontiers, the conflict may spill into Pakistan and former Soviet republics.

Cat's-paw wars do not begin or end tidily. Recall Vietnam's invasion of Cambodia (1978); the civil wars that erupted in Angola and Mozambique (1975); the leftist putsch in Ethiopia (1974); the contra war that followed Nicaragua's revolution (1979); and El Salvador's civil war, ignited in 1979. In each case, Cold War alliances dissolved and the proxies were left to fend for themselves.

So it was in Afghanistan, where Washington and Moscow agreed two years ago to cease aiding their respective partners. With the wisdom of hindsight, everyone now sees that Leonid Brezhnev ruthlessly overcommitted Soviet resources to cat's-paw wars. And winning Americans see that some proxy wars, like Jonas Savimbi in Angola, were not shining knights.

But Americans cannot now ignore these former handgrips. Who can decently walk away from countries like Afghanistan where vast arsenals of U.S. weapons continue to lay children, women and civilians? Helping battered societies heal and rebuild is the unaddressed task of the 1990s.

—THE NEW YORK TIMES.

Serbia Must Be Stopped

No one in Yugoslavia is blameless for the historical deeds that weigh so heavily on the present-day contenders. Nor is anyone in Yugoslavia blameless for the fire now threatening, in this latest phase, to consume Bosnia-Herzegovina. But realization of a general truth cannot be allowed to obscure the specific urgency of halting Serbia's aggression in Bosnia. Yes, Croatia has its own land-grabbing to answer for in western Herzegovina. But the principal force behind this gathering tragedy is a conspiracy of Bosnian Serbs, guerrillas from Serbia, the Serb-dominated Yugoslav national army and the Serbian government of Slobodan Milosevic. This is the combination new at the attack, killing hundreds and threatening to kill thousands, driving tens of thousands from their homes and altogether trying to dismember Bosnia.

Outsiders cannot claim great presence or defiance in Yugoslavia. The matter of the timing of recognition of the separate republics is especially sensitive. But Serbia has taken criticism of others' diplomacy to the point of avoiding its own responsibilities. Resenting Western recognition of Bosnia, it ignores the contribution its violence has made to the breakdown. When

responding to criticism, it professes to see profound anti-Serbian purposes, it manufactures and surrenders to an ominous and consequential paranoia. Serbia has an interest in Serbs in other parts of Yugoslavia, but it has failed adequately to distinguish between Croatia, where some Serbs were indeed threatened, and Bosnia, where they were not. Nor can Serbia evade an obligation to conduct a proportionate policy. In Croatia it overreacted badly. In Bosnia its overreaction is grotesque.

Serbia's Bosnian depredations have brought the United States from the rear diplomatic ranks to the front of the desperate international effort to steer Yugoslavians back from the brink. The American government is leading a campaign to isolate and punish Serbia diplomatically. This is not easy for Washington, because Serbia is an old and true friend of the United States, having fought bravely on the American side — the democratic side — in two world wars. One has to wonder whether Serbia's Mr. Milosevic, committed as he is to a hysterical militant nationalism, could survive his own restraint — and whether Serbia can survive Mr. Milosevic.

—THE WASHINGTON POST.

For Kim and Democracy

In these, his final months in office, President Roh Tae Won has the opportunity to finish the job of democratizing South Korea. Mr. Roh, who cannot run for re-election, has already earned a place in his country's history by leading the way to freely elected government and toward the reunification of North and South Korea.

But before he departs, one further step is needed: abolition of the repressive National Security Law and release of those jailed for peaceful political expression.

The National Security Law is a vestige of the Korean War and successive dictatorships. Its provisions, though liberalized slightly last year, severely restrict contact with North Korea. And they allow the government to jail critics they charge with helping the Communist North.

A blatant example of the National Security Law's abusive use is the case of Kim Keun Tae, an Amnesty International prisoner of conscience and a recipient of the Robert F. Kennedy Human Rights Award.

Under the dictatorships of the 1970s and 1980s, Mr. Kim bravely and persistently campaigned for democracy and labor rights. He was repeatedly jailed and tortured.

In May 1990, more than two years after

Mr. Roh took office promising democratic change, Kim Keun Tae was arrested again. He was charged with violating the National Security Law when he addressed mass protest rallies that spring. Mr. Kim's speeches, as always, denounced government policies, calling for Korean reunification and radical social change. In a democracy, that is no more than the exercise of free speech, not a criminal offense.

Some of those protest rallies turned violent, but there is no evidence that Mr. Kim incited or encouraged the violence. In fact, court documents show him urging peaceful methods. Still, he was sentenced to a new jail term. He remains a political prisoner, despite pleas in his behalf from a bipartisan group of U.S. congressmen.

The Korean legislature, which reconvenes next month, will consider an opposition proposal to scrap the National Security Law. Broad restrictions on political speech have no place in a democratic society.

Mr. Roh could help complete Korea's democracy by urging the ruling party to support repeal. And he could take a further step to set the tone for the debate.

Free Kim Keun Tae.

—THE NEW YORK TIMES.

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Why the Next Century Will Belong to the Europeans

By Lester C. Thurow

CAMBRIDGE, Massachusetts — The 19th century belonged to Britain; the 20th century to the United States; it generates the world's highest per-capita standard of living. But who, in economic terms, will "own" the 21st century — Japan, Europe, America?

A case can be made for each of the three. The Japanese have momentum. Americans have flexibility and an unmatched ability to get organized if directly challenged. But strategic position is on the Europeans' side.

Already Americans are feeling the psychological impact of Japan's challenge, and already that challenge has made other countries (Germany, for example) less deferential to U.S. political leadership. Dominant economic status often translates into cultural leadership as well.

Here is how the major contenders for 21st century ownership line up:

• Japan. Its momentum comes from the fact that it is simply growing faster and investing more in future growth than any other country. In just 20 years, Japan has gone from having a per-capita GNP only half that of America's to one that is 22 percent greater. Its per-capita internal purchasing power is below America's, but on both external and internal measures of performance, it is growing much faster than either the United States or Europe is. It is the world's largest net creditor nation, with the world's largest trade surplus — currently running at

more than \$120 billion per year. In head-to-head competition with European or American companies, its companies have been impossible to beat. Japan's market share goes up, the rest of the world's goes down.

Cobesion and homogeneity give Japan an ability to focus its economic might that few can rival. No one is investing more to secure future economic success. Plant and equipment

tures and nationalities into a cohesive team, Japan has a problem.

The same problem makes it difficult for Japan to create a Pacific Rim trading bloc to rival that of Europe or the Americas. A few special trading arrangements may emerge but Japan is not likely to be able to create a regional common market to rival the European Community.

Japanese success also has been

Japan and far more homogeneous than that of Europe.

But America has squandered much of its starting advantage by allowing its educational system to atrophy; by running a high-consumption, low-investment society; and by incurring huge international debts.

American investment is simply not world class; plant and equipment investment per worker is far below that of Germany or Japan; nonmilitary research and development spending is 40 to 50 percent less than that of Germany and Japan; physical infrastructure investments are running at half the level of the late 1960s.

While Europe embarks on an ambitious high-speed rail network, unspent funds pile up in highway and airport trust funds in the United States. Japan has a plan for revising itself with fiber optics (building the electronic highway of the 21st century); America does not.

America's work force is also under-strength. Here the picture is mixed. Luckily for Americans, most countries with good elementary and secondary education systems have not built good mass university systems. College is where the U.S. work force catches up with the rest of the world. But that part of the American work force that does not go to college is not up to world standards.

Paradoxically, if America wants to have a world-class standard of living in the 21st century, it will have to shift its resources away from consumption and toward investment.

The United States faces another impediment to market expansion: its natural geographic trading partner, Latin America, is poor, and its people are poorly educated. Latin American per-capita GNP has been declining, and regional debt problems make rapid growth unlikely.

At the same time the United States has real cultural advantages in expanding its productive reach. America's culture makes it the easiest for outsiders to become insiders. Americans may not be great exporters, but they are the world's best when it comes to running off-shore production facilities.

• Europe. Like a novice chess player studying a manual of endgame strategies from an assured winning position, Europe can beat its competitors no matter how they respond — if it picks the right moves. The required moves, however, involve integrating the European Community into one economy and gradually absorbing most of the rest of Europe. If it does so, the Continent will have a productive base with economies of scale and scope that no one can match.

Europe's major advantage is that almost all its people are well educated. Europe is the only region in which one country, Germany, is a world leader in production and trade, and another, the republics of the former Soviet Union, have in the aggregate been a leader in high science and the world's largest producer of natural resources. Add the design flair of Italy and France to a world-class London capital market efficiently directing funds to Europe's most productive areas, and something unmatchable could be created.

Those who guard the entrances to the world's largest economy have always written the rules of world trade. The 21st century will be no different. The Europeans will write the rules for world trade.

But Europe will first have to overcome two problems. The economies of Western Europe have to really integrate, and that integration has to be quickly extended to Central and Eastern Europe. And the ex-Communist economies of the region have to become successful market economies. Neither is an easy task. Both will require European citizens to make sacrifices today to create an economic juggernaut tomorrow.

Western Europe must provide the large amounts of economic aid needed to get capitalism started in Central and Eastern Europe; both West and East must put aside ancient border and ethnic rivalries.

Europeans know that they must and will change. Western Europe is already making the changes necessary to create the world's largest integrated market, and Central and Eastern Europe are already moving from communism to capitalism.

For these reasons, future historians are likely to record that the 21st century belongs to the House of Europe.

The writer is dean of the Sloan School of Management at the Massachusetts Institute of Technology. He contributed this column to The Washington Post.

For Pyongyang, a Concerted Carrot-and-Stick Act

By Jim Hosland

WASHINGTON — Is Kim Il Sung about to blink? The question stirs hot debate among intelligence and proliferation specialists in the United States, Japan and South Korea as the North Korean dictator's moment of decision on going nuclear approaches.

The physical evidence shows that Mr. Kim's renegade regime is still building a reprocessing center useful only in producing nuclear weapons. Hawks in Tokyo and Washington argue that the United States must be ready to repress North Korean nuclear capability by military force.

But for the first time since fall, when the construction of the plutonium reprocessing facility at Yonghyon was identified as a major threat to global stability, political evidence suggests that Mr. Kim, who is 80, may soon yield to the economic pressures and veiled military threats exerted on his nation.

Doves argue that the triangular squeeze play by the United States and its two Asian allies has worked. Mr. Kim should be given every chance to resolve the incipient confrontation peacefully, say senior politicians in Tokyo who are in contact with the North Korean leader.

Details of the squeeze play have remained secret until now. Pieced together from accounts by American, Japanese and South Korean sources, the concerted campaign of pressure shows how American-led coercive diplomacy against renegade regimes may work in the post-Cold War, post-Gulf War world.

"We made sure that the North Koreans would see the same unsmiling face from the three governments," said a senior Japanese official involved in the coordination of policies that features Japan's economic carrot, America's military

stick and South Korean political resolve. Japan's determination to block a Korean bomb — one of the few developments that could eventually force Japan to re-evaluate its firm renunciation of acquiring nuclear weapons — was driven home to Mr. Kim in January by a toughening of Tokyo's conditions for granting his poverty-stricken nation foreign aid.

North Korea was told explicitly that its agreement to permit international inspections at the Yonghyon plant, just north of the capital of Pyongyang, would not itself clear the way for substantial Japanese aid. The North Koreans must also abolish the reprocessing capability they have developed and must renounce any future acquisition of that technology to qualify for aid.

The Japanese demand reflects widespread concern that Mr. Kim's acceptance of international inspections is a ploy to buy time and hide a secret bomb-building capability from outsiders, as Iraq did. The demand also bypasses North Korea's protestations that the Yonghyon facility is intended for peaceful purposes, a contention rejected by Western and Japanese intelligence analysts.

North Korea "predictably rejected the demand as interference in its affairs," a Japanese source says. "But he continues to discuss it every chance we get. We're not taking any chances."

Suspicious of Mr. Kim's intentions were reinforced April 15 when North Korean television showed parts of the Yonghyon nuclear complex but not the reprocessing plant. The broadcast came a week after the North Korean parliament ratified an agreement with the International

Atomic Energy Agency to allow inspection of its nuclear plants in the next 90 days.

Atomic detectives monitoring North Korea believe the reprocessing plant will be finished in June. A bomb could be manufactured six months to a year later. If the North Koreans attempt to fool IAEA inspectors this summer, it will show they are committed to a weapons program.

The doves hope that Mr. Kim is using the reprocessing center as a bargaining chip and will at the last minute abandon the weapons chase with a claim of victory. The United States has agreed to withdraw its nuclear weapons from South Korea and Seoul has upgraded its political recognition of Pyongyang in recent months.

Hope that Mr. Kim has been pushed into (or was always pursuing) a negotiated outcome runs strongest in Seoul, at war with the North in one form or another for 40 years. South Korean officials have told visiting Americans that a preemptive-American strike might trigger a North Korean artillery and missile barrage on the South that could cause 100,000 casualties in an afternoon.

Prime Minister Kiichi Miyazawa of Japan has also told American authorities that his politically weakened government was in no position to support military action against North Korea. That in part is why Japan is so assertive in exerting economic pressure.

Could Washington mount a military strike without the clear support of Tokyo and Seoul? It would be hard. But the administration has prudently not tipped its hand, keeping the stick option credible and keeping Mr. Kim worried. That has helped make it clear that blinking — now — is in Mr. Kim's interest too.

The Washington Post.

two-year term and needs a two-thirds vote of the legislature for tax measures. Compromise is what politics is about, not purity. The question is whether a politician works effectively for desirable ends.

"I am less troubled by Senator Flowers," Mr. Orren said, "than by the suggestion that politicians are contemptible because they compromise. So let's feel good by looking out, let's turn to it. Let's face it. The press treats politics as a cynical game. But it is democracy, and cynicism is running it down. Fewer and fewer people vote. It is serious."

The New York Times.

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The Press's Attack Dogs Owe Clinton an Apology

By Anthony Lewis

BOSTON — The American press prides itself on its courage, its selflessness, its influence. But in the current political campaign those claims sound like a bad joke. The press is distinguished by its cynicism and its self-regard. Yes, it does have influence — for the worse.

The notable example at hand is the press treatment of Bill Clinton. Even serious newspapers have become parodies of attack-dog journalism, eager to find something — anything — nasty to print about Mr. Clinton.

The Washington Post put on Page 1 a story headed "Hillary Clinton's Law Firm Does Business With State." The facts are that Arkansas's third-largest law firm has billed the state exactly \$4,226.75 since 1989 — and Mrs. Clinton abjured any partnership share of that giant sum.

The Gennifer Flowers story was sleazy rubbish picked up from a supermarket trash sheet's checkbook journalism. Then there was Bill Clinton and the draft: a series of items that add up to his having done nothing wrong to avoid a war with which he and millions of others disagreed.

The true and moving story of Mr. Clinton and the draft was told by Strobe Talbott in Time magazine of April 6. But few Americans grasped the actual facts of that or any of the episodes. It was just a series of headlines adding up to a Bill Clinton you cannot trust.

Mr. Clinton did himself some damage, yes: with his in-halting comment about marijuana, particularly. But that mattered little compared with the drumbeat of attacking headlines. A series of errors was made to add up to a large shadow of doubt.

That is not a partisan view. A detached British paper, the Independent, called the Gennifer story "sexual McCarthyism." Professor Larry Sabato of the University of Virginia, author of the book "Feeding Frenzy: How Attack Journalism Has Transformed American Politics," told John Tierney of The New York Times: "I don't think any candidate has ever had more brickbats thrown at him for less reason than Clinton. The average reader could be excused for believing that Bill Clinton was among the worst and sleaziest of American governors."



But scholars ... will tell you that he's easily among the top 10 percent."

Nor is the sleaze limited to Mr. Clinton. Jerry Brown was slandered in a McCarthyite ABC television program. Masked witnesses who said they were former policemen charged he had been at parties where drugs were used. Anyone can wear a mask and say anything.

Critics have begun to notice one striking thing about these snarling mastiffs of the press. They say little about the record of George Bush.

The point here is not President George Bush's sexual purity, which I believe has zero relevance to the governing ability of any politician.

It is George Bush's record as a

booster of Saddam Hussein. It is his role in the Iran-contra affair, about which he has refused to come clean — and has buffaloned a timid press.

It is his judicial appointments, his economic measures ... It is, in short, issues of real policy.

Why is the press behaving this way? Professor Gary Orren of Harvard's John F. Kennedy School of Government thinks the press in part simply reflects the public's cynicism about politics and politicians.

Moreover, Mr. Orren says, television and newspapers woke up after 1988 and realized that they had been used by Roger Ailes and the other manufacturers of Willie Horton et al. So now they are proving that they have hair on their chests. And they are doing Roger Ailes's work for him.

What bothers Gary Orren most is the implied threat of Mr. Clinton as governor: "Clinton Compromise." That in a state where the governor has a

two-year term and needs a two-thirds vote of the legislature for tax measures. Compromise is what politics is about, not purity. The question is whether a politician works effectively for desirable ends.

"I am less troubled by Senator Flowers," Mr. Orren said, "than by the suggestion that politicians are contemptible because they compromise. So let's feel good by looking out, let's turn to it. Let's face it. The press treats politics as a cynical game. But it is democracy, and cynicism is running it down. Fewer and fewer people vote. It is serious."

The New York Times.

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What Democracy Needs Is Democrats

By Raúl Alfonsín

The writer was president of Argentina from 1983 to 1989.

BUENOS AIRES — With surprise and indignation I read William E. Odom's article "Durable Democracy Requires a State That Works" (12/7, April 14), a reflection on Alberto Fujimori's takeover of the Peruvian government.

All over the world, people are facing with hope and sometimes despair the enormous complexities of the transition to democracy. I believe that the success of these transitions depends on the respect of human and civil rights and therefore on universal peace and the development of a just international order.

Mr. Odom does not. He reflects on the transition to democracy from a cynical and superficial position.

Mr. Odom's justification of Mr. Fujimori's putsch appeals to the fact that in Peru there exists a privileged oligarchy, a statist economic system, negligent political parties and legislatures, a corrupt and incompetent civil service, the virtual paralysis of the political system and the subversive activities of Sendero Luminoso, the Shining Path guerrilla group.

Mr. Odom relies on half-truths, as when he says that the Peruvian government owns most industry and commerce in the country, and he charges the Peruvian congress with delaying reforms.

But above all, Mr. Odom forgets the main factor that determined the demise of democracy in Peru: Mr. Fujimori's frankly authoritarian personality. At a time when the nation needed a call for national unity through a constructive dialogue, tolerance and consensus, Mr. Fu-

jimori, in the grand totalitarian tradition, launched an attack on politics and politicians.

Mr. Odom also forgets the fact that violence and subversion always receive a quasi-legitimacy when they are repressed outside the framework of a legitimate judicial system, and in Peru this means that sect of violent fanatics, the Sendero Luminoso, has been granted the chance for unexpected political gains.

Of course, it is difficult to keep one's commitment to democracy in an imperfect or fragile society. But confronted with the defeatism of Mr. Odom, we must recognize our imperfections and unavoidable conflicts and try to transform our efforts into a renewed search for justice in democracy. Humans may not cease to be aggressive and competitive, but they may advance to new levels of understanding and solidarity.

It is difficult to consolidate democracy when poverty renders freedom meaningless, ignorance limits political participation and disillusion generates destructive tendencies. I have experienced all of these in my country, yet we all persevered, trusting democracy.

Perhaps someone should make it clear to Mr. Odom that what the world needs is justice, which would put an end to an economic order that is basically unfair based on subsidized trading practices that distort international markets. But it would be a waste of time. All democracy needs, aside from its basic institutions, are democratic subjects: men and women who have internalized the values of freedom, solidarity, tolerance and public commitment and justice and will not break the rules to gain their ends.

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Anarchist Burglars
PARIS — An alarming story comes from America. A society of Anarchists, with its headquarters at Chicago, has just been discovered. This society employs thousands of house servants, whose duty it is to report the amount of plate, wines and other valuables in the possession of their employers. The so-called Anarchist society is probably a society of burglars, with a special fondness for plate, and a taste for good wines, to be drunk on the premises while in the prosecution of their business.

1942: Japan is Jittery
NEW YORK — [From our New York edition:] Two new air-raid alarms kept a jittery Japan on the alert for four hours yesterday (April 19) in fear of a repetition of the widespread attacks of Saturday, on which the Japanese people for the first time in modern history felt war in their homeland. Radio dispatches, most of them relayed by Berlin, put together a picture of destruction which appeared to have been larger than that first reported and indicated that the Japanese people still were at a loss as to the origin of the attacking planes.

1917: Monk and Empress
PETROGRAD — Prince Felix Yusupov, whose name is mentioned in connection with the murder of the monk Rasputin, has returned from his exile in the Crimea. Interviewed by Novoye Vremya, he said: "I believe that the Empress Alexandra was possessed with the mania that she was able to mould the nation to her will."

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CAPITAL MARKETS
Fund Managers Toast A Happy, Junky Year

By Stan Hinden
WASHINGTON — If you listen carefully, you can hear the clink of the champagne glasses as junk bond fund managers around the United States celebrate the Year of the Turnaround. And what a year it has been! For the 12 months that ended on March 31, junk bond funds gained an average of 29 percent, according to Lipper Analytical Services Inc.

Of that gain, 11 percent came from the interest paid on the bonds and 18 percent from their rising market value. If those gains sound enticing, it is worth remembering that the Year of the Turnaround was preceded by the Year of the Debacle — when the bottom fell out of the junk bond market and investors sustained huge losses. Actually, the debacle lasted 20 months, from June 1989 to January 1991.

Mark J. Vasek, a vice president of the T. Rowe Price High Yield Fund, recalls that the junk bond fund stood at \$1.2 billion at the beginning of the plunge and lost more than half its value before recovering to its current level of \$1.1 billion. Mr. Vasek has spent four years at the Baltimore-based fund after working on credit analysis and bankruptcy investing at New York investment firms.

The leveraged buyout craze and the mergers and acquisition fever of the mid-1980s were financed to a large degree with junk bonds, more formally known as high-yield securities. These are bonds graded below investment grade by at least one of the major rating agencies or that are not rated. The ratings, which reflect companies' financial strength and their ability to pay interest and principal on their bonds, stand with triple-A and work down. Anything rated less than BBB-minus, or Baa3 on the scale at Moody's Investors Service, is called junk by Wall Street. The lower the rating, the more interest a company must offer to entice investors.

The slowdown of the economy at the end of the decade found many American companies loaded with debt and increasingly unable to pay the interest on it.

BECAUSE of the relatively weak finances of companies whose bonds were junk, the main worry for investors was always defaults and bankruptcy. As feared, the defaults increased as the recession arrived. In 1990 and 1991, companies defaulted on \$39 billion in junk bonds.

The parlous state of the market was aggravated in 1989 by a congressional order to savings and loans to sell their vast junk bond holdings, and the indictment of Michael R. Milken. When his firm, Drexel Burnham Lambert Inc., filed for bankruptcy protection, it wiped out the primary market maker for junk bonds.

The final shock came in August 1990 when the invasion of Kuwait sent the stock market reeling. Junk bonds fell just as fast. The carnage was widespread. The assets of the T. Rowe Price junk bond fund dropped to \$460 million in January 1991 from \$1.2 billion in June 1989.

There were two parts to the loss. The market value of the fund's bonds fell \$400 million as prices plummeted. Investors watched with horror as the fund's shares, which had hit \$10.25, fell to \$6.76, a loss of 34 percent. In addition, frightened shareholders cashed in about \$340 million worth of their shares.

The Year of the Turnaround began in January 1991 with the stock market rally that followed the start of the unchallenged U.S. air bombardment of Iraq.

"People realized that this market was so beaten up and so cheap that there were a lot of companies trading at 60 or 70 cents on a dollar that were going to make it," Mr. Vasek said.

What sustained the rally, he said, was the ability of junk-bond issuers to raise millions of dollars in the stock market last year and to use the money to pay off big chunks of their debt burdens. "I see that trend continuing," Mr. Vasek said.

The swapping of debt for equity has had another beneficial effect, Mr. Vasek said. It took \$26 billion of junk bonds out of the market, thus tightening the supply at a time when demand from returning investors was growing.

In addition, he said, the swaps have reduced the debt levels at many companies and thus improved their credit quality.

Given the average 8 percent return of junk bond funds in the first quarter of this year — 5 percent in growth and 3 percent in income — Mr. Vasek thinks 1992 will produce a total return of about 15 percent if interest rates remain firm and the stock market is healthy.

"We'll have a good '92," Mr. Vasek said. "Overall, the returns are going to be less dramatic going forward. But the risks are going to be less, as well."

Big Layoffs A Threat In Digital Revamp

By Glenn Rifkin
NEW YORK — Digital Equipment Corp., still reeling from this month's announcement of a \$294 million quarterly loss, is radically overhauling its corporate engineering structure, a move that analysts expect to lead to huge layoffs.

The announcement, but in response to an inquiry Friday it confirmed a report circulating among analysts that it was dissolving its hardware engineering group and moving the unit's functions into the marketing division.

The reorganization, the company's second in less than six months, "may be in preparation for rather massive layoffs," said George Colony, president of Forrester Research in Cambridge, Massachusetts. He estimated that Digital needed to cut 30,000 employees from its payroll to get its costs in line.

"This could signal the elimination of a lot of redundant functions in engineering," Mr. Colony said.

The move to place hardware engineering under marketing leaves several longtime Digital vice presidents without jobs and represents a radical shift in the corporate culture of Digital.

Ken O'Brien, DEC's founder and president, is an engineer and has always contended that the company should concentrate on building excellent products that would essentially sell themselves.

Terry Shannon, a consultant in Ashland, Massachusetts, said he did not believe that the move was a knee-jerk reaction to the quarterly loss. He added that it seemed as if Digital's marketing vice president, William Johnson, had persuaded Mr. O'Brien it was time for the company "to have products the customers want, rather than building products and having to convince customers to buy them."

David Smith, a consultant at International Data Corp. in Framingham, Massachusetts, said: "This could signal a fundamental change in the way the company does business."

The depth of Digital's financial woes has surprised industry analysts. The announcement by the company of its Alpha microprocessor in February was hailed by many as a technological achievement that would form the platform for Digital's computers for the next decade. DEC is also receiving accolades for its strong showing in the direct-mail personal computer business.

But the margins on PC sales are too low to offset shipping sales of Digital's mid- and high-end VAX computers. And computers employing the Alpha chip are not due out until late this year or early in 1993.

A Digital spokeswoman, Nikki Richardson, said the reorganization was intended "to reinforce the marketing orientation of the company and get engineering close to the customer again."

Under the plan, engineering will be split into four areas, each part of a separate Digital business unit.

Cloves Ignite Nepotism Issue in Jakarta

By Michael Richardson
International Herald Tribune

SINGAPORE — The Indonesian government, in an effort to stem criticism of trading monopolies controlled by companies run by the sons of President Suharto, has announced changes to two of the programs, but many of the critics are not satisfied.

Indonesian economists said Sunday that modifications to the monopolies granted by the state over trade in cloves and the collection of television fees were intended to minimize losses to the companies involved.

"They are cosmetic measures," said Anwar Nasution, an economist at the University of Indonesia.

The clove trade in Indonesia is estimated to be worth about \$500 million a year, while the collection of license fees from more than seven million owners of TV sets could generate as much as \$180 million annually, according to officials.

The operations of a third monopoly, over trade in oranges, have not been altered by the authorities.

The monopolies have become a target of unprecedented public criticism in recent weeks as the government prepares for legislative elections in June and a presidential poll in 1993.

Critics — who include legislators, economists, businessmen, students and consumer protection groups — contend that the monopolies have been mismanaged at the expense of farmers and consumers.

The criticism is unlikely to prevent Mr. Suharto, a retired army general who has been in power since 1968, from getting another five-year term next year if he decides to run again, as widely expected.

But analysts said that many Indonesians resent the monopolies. They are seen as a symbol of the business appetite of the Suharto family and the extension of its commercial empire into nearly every sector of the economy of Indonesia, which with its population of 180 million is among the world's largest nations.

There is also concern in the armed forces that social discontent over political favoritism and unequal distribution of wealth could threaten political stability, analysts said.

Earlier this month, the government announced that the debt-laden Clove Support and Trading Board would no longer be obliged to buy all the spice grown by Indonesia's 500,000 clove farmers.

The board began operations in 1991 with monopoly rights to buy and sell cloves. They are a key ingredient in the country's clove-and-tobacco cigarette industry, which employs 130,000 people.

The board is owned by a consortium of private and government companies. The chairman is Hutomo Mandala Putra, the youngest son of Mr. Suharto.

Mr. Hutomo heads the Humpuss group of companies. Rapid growth of the group since 1984 has taken it into the ranks of Indonesia's 25 largest business concerns.

The Bimantara Citra group, which controls the orange monopoly, has emerged in the last decade as one of the country's top 10 conglomerates. The president of the group is Bambang Trihatmodjo, Mr. Suharto's second son.

The clove trading board was supposed to guarantee stable prices to growers and buyers. However, in a confidential report on the Indonesian economy in 1991, the World Bank concluded that if the monopoly worked as intended it would provide the board with a profit margin at least double the rate in the free-trade system it was replacing.

In modifying the plan, the government said that the official price to be paid to clove farmers would be cut by nearly half.

"This new scheme aims at coping with the clove oversupply problem in order to protect the interests of farmers," said Radikus Prawiro, coordinating minister for economics, financial and industrial affairs.

But Mr. Anwar, the university economist, said the government should abolish the trading monopoly and end its attempts to regulate clove prices. Otherwise, he said, overproduction of the spice would continue.

The new price to be paid to clove farmers is 4,000 rupiahs (\$2 a kilogram), well above the international market price of 3,000 rupiahs a kilo.

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German Warning On Pay Employers Cite Recession Threat

FRANKFURT — Excessive pay increases could cause a recession in Germany, the head of a major employers' group said Sunday as public-sector workers prepared for a ballot on their first strike in 18 years.

Hans-Joachim Gotschke, president of the Gesamtmetall engineering employers' group, said in a radio interview. "We have had eight or nine years of economic growth and in this wage round stand before the decision whether we can add on a 10th or 11th year, or whether we slip into a recession. In my opinion the danger is very high and we should do whatever we can to prevent that."

Mr. Gotschke said on Deutschlandfunk radio that a rise in labor costs of around 6 percent would be too high. Key unions kicked off 1992 wage talks with demands of between 9 and 10 percent.

The main focus for this year's wage negotiations is the public sector, whose workers will decide this week whether to strike.

Union leaders claimed solid backing this weekend for a strike, saying a raise of less than 5.4 percent, the figure proposed by an arbitrator, would be unacceptable.

Labor unions called the ballot last week after the government, as employer, rejected the arbitrator's proposal and stuck to a 4.8 percent offer.

Ursula Engelen-Kefer, deputy president of the German union umbrella group DGB, said on Sender Freies Berlin radio on Saturday that 5.4 percent was the absolute minimum.

"What is left," she said, "is still a passport and posing almost all his known assets as security."

Mr. McNamara, 52, is a prominent developer, philanthropist and Republican Party insider in Port Jefferson.

A lawyer for Mr. McNamara, J. Timothy Shea, said his client would not comment publicly on either the pending case or the 1973 charges. Mr. Shea said he helped in the defense of the 1973 case but did not recall details.

Also charged with extortion in that case were John De Liso, Alphonse Merolla, Angelo Merolla

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GM Dealer Accused of Scam Faced Prior Charge

By Jane Fritsch
New York Times Service

NEW YORK — John M. McNamara, the Long Island car dealer who has been accused of defrauding General Motors Corp. of \$436 million by obtaining loans to finance vehicles that did not exist, was indicted in 1973 on a federal extortion charge involving the construction of his dealership.

The 1973 charges against Mr. McNamara, one of six defendants, were eventually dropped, and his father's conviction in the case was overturned on appeal. But records of the 1973 case raised questions about General Motors' vigilance over Mr. McNamara.

GM auditors had told federal prosecutors they had no suspicions about Mr. McNamara, a highly valued customer, until four months ago, when they concluded that he had lent him \$1.75 billion in 1991 to finance 70,000 vehicles that did not exist.

The court records show that in 1974, a GM representative testified as a prosecution witness in a trial on the extortion charges.

In that case, brought by the Justice Department's Strike Force on Organized Crime, Mr. McNamara and his father, Thomas, were accused of ordering the beating and intimidation of a construction contractor with whom they were dissatisfied.

Attempts to reach GM executives by phone for comment were unsuccessful. The company has refused to discuss its business dealings with Mr. McNamara.

In a civil suit filed on April 2 in state Supreme Court in Riverhead, New York, General Motors Acceptance Corp. accused Mr. McNamara of defrauding the GM financing division of \$436 million.

On Wednesday, after a two-week investigation, federal prosecutors in Brooklyn charged him with mail fraud, wire fraud and money laundering. He was freed on \$300 million bail after surrendering his

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WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 329 11 30. Prices may vary according to market conditions and other factors. April 17

Canadian Dollars

Table of Canadian bond prices including sections for Short Term, Corporates, ECU Straights, Pound Sterling, and Yen Straights.

Short Term

Table of short-term bond prices for various issuers and maturities.

Corporates

Table of corporate bond prices for various companies.

ECU Straights

Table of ECU straight bond prices.

Pound Sterling

Table of Pound Sterling bond prices.

Governments/Supranationals

Table of government and supranational bond prices.

Banks

Table of bank bond prices.

MUTUAL FUNDS

Table of mutual fund prices and performance.

Yen Straights

Table of Yen straight bond prices.

Other

Table of other bond prices.

NEW YORK (AP)—

The following are the prices of... which these securities... are bought or sold...

Figures as of close of trading Friday, April 17.

Table of mutual fund prices and performance.

(Continued on next page)

New International Bond Issues

Table listing various international bond issues with columns for Issuer, Amount (millions), Maturity, Coupon, Price, and Terms. Includes entries for Floating Rate Notes, Fixed-Coupons, and Equity-Linked.

H.K. Rail To Borrow Billions

Blomberg Business News HONG KONG — Hong Kong's Mass Transit Railway Corp. said it plans to raise more than \$1 billion in borrowings every year between now and 1997.

Strong Trade and Jobs Data Push Bonds Lower

Chicago Flood, Holidays and Concern Over Auctions Keep Volume Light

Compiled by Our Staff From Dispatches NEW YORK — Prices of U.S. government bonds declined last week, pushed down by several economic reports.

U.S. CREDIT MARKETS

strong trade and jobless claim numbers pushed down prices. Credit market participants sold securities almost immediately after the government reported that exports rose to a record in February.

Time Plans \$1 Billion Debt Placement

NEW YORK — Time Warner Inc. said it planned to arrange a private placement of \$1 billion of long-term debt with institutional investors.

Republics' Capital Needs Seen Pushing Up Rates

WASHINGTON — Based on preliminary assessments of investment needs, the former Soviet republics' entry into the global capital markets will have a profound inflationary impact.

CLOVES: Monopolies Ignite Dispute Over Nepotism

(Continued from first finance page) Those credits, provided by state banks at lower-than-market interest rates, amount to more than \$300 million, said Sahur, director of the Institute for Economic and Financial Research in Jakarta.

GMAC: Dealer Indicted for Scam Faced Prior Charge

(Continued from first finance page) and Rocco Merolla, according to court records. The records show that Mr. McNamara and his father, who was then running the car dealership, were accused of enlisting the four men to beat and intimidate Harold Goherman, the contractor hired to build the McNamara dealership.

PAY: German Recession Warning

(Continued from first finance page) Last week, Germany's five top economic institutes forecast that the West German economy would expand by only 1 percent in 1992 after growth of 3.1 percent in 1991.

WORLD STOCKS IN REVIEW

Amsterdam Optimism over interest rates, a bullish Wall Street and an improved if erratic performance in Tokyo sent share prices higher in Amsterdam during a holiday-shortened week.

Foreign Investments in India Jump

NEW DELHI — India approved 310 foreign projects totaling \$440 million in the seven months that ended in January, up sharply from a year earlier, in line with its new free-market policies, officials said Sunday.

Croatia Devalues Dinar Against Mark

ZAGREB, Croatia — The National Bank of Croatia has devalued the Deutsche mark-linked currency, the dinar, the newspaper Vjesnik reported Saturday.

MUTUAL FUNDS

Table listing mutual fund performance with columns for Fund Name, Assets, and Returns. Includes NYSE Most Active and AMEX Most Active sections.

Euromarkets At a Glance

Table showing Euromarkets data including Eurobond Yields and Weekly Sales.

WALL STREET REVIEW

Table showing Wall Street Review data including NYSE Most Active, AMEX Most Active, NYSE Sales, AMEX Sales, NYSE Divides, and AMEX Divides.

(Continued from first page)

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, April 17.

Main table containing NASDAQ stock market data with columns for symbol, price, volume, and change. Includes sub-sections A through P.

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(Continued on next page)

NASDAQ NATIONAL MARKET

OTC Completed trading for week ended Friday, April 17. (Continued) Table with columns: Sales in 100s, High, Low, Close, Net Chg.

Table with columns: Sales in 100s, High, Low, Close, Net Chg. Lists various stock symbols and their trading data.

Table with columns: Sales in 100s, High, Low, Close, Net Chg. Lists various stock symbols and their trading data.

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AMERICAN EXCHANGE OPTIONS

Table with columns: Option & price, Calls, Puts. Lists various option contracts and their prices.

CHICAGO EXCHANGE OPTIONS

Table with columns: Option & price, Calls, Puts. Lists various option contracts and their prices.

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MONDAY SPORTS NHL PLAYOFFS

North Stars Edge Red Wings in First Game

The Associated Press
The Minnesota North Stars, who stunned the National Hockey League by reaching the Stanley Cup finals last season, picked up right where they left off.

Brian Bellows snapped a tie with 6:15 left Saturday and the North Stars beat the Detroit Red Wings, 4-3, in the first game of their Norris Division semifinal series in Detroit.

Bellows, the North Stars' second-leading scorer with 75 points during the regular season, took a pass inside the blue line from Jim Johnson and fired a harmless-looking long shot from the right boards that Tom Cheveldae, the goalie, didn't appear to see.

"I had no idea where it was," Cheveldae said. "I didn't see Bellows shoot it. At the last second, I saw it coming at me."

Bellows was as surprised as anyone when the puck went into the net.

"It's just one of those things," Bellows said. "I think Cheveldae thought he had his back up against the post. At the last second, I expected him to kick it out. It was bouncing all the way."

"I just slapped at it. It was half-speed. It was about half a slap shot. It brought back memories."

Last year, Minnesota ousted Chicago and

St. Louis in six games and Edmonton in five to advance to the Stanley Cup finals before losing to Pittsburgh in six games.

"This is a new year, though," Bellows said. "This year, I noticed the guys weren't quite as jubilant. The attitude was, 'Let's get ready for the next game.'"

Minnesota finished fourth in the Norris Division this season, just as it did a year ago. The Red Wings won the division and were

the third-best team in the NHL. Game 2 of their semifinal series is set for Monday night in Detroit.

Sergei Fedorov scored two goals for Detroit. Joo Casey, the star of last year's playoff run, stopped 26 shots for Minnesota. Cheveldae made 29 saves for Detroit.

Detroit trailed, 2-1, late in the second period before scoring a pair of late goals to take a 3-2 lead.

Fedorov tied it at 3:2 with his second goal at 18:02 after Casey, who had skated into the left circle, inadvertently kicked the puck right into Fedorov's stick.

Steve Yzerman then scored with 15 seconds remaining to give Detroit a 3-2 lead.

Yzerman, a 45-goal scorer during the regular season, took a pass in the left circle from Ray Sheppard, skated around defenseman Craig Ludwig, drew Casey out of the crease and flipped the puck into the open net.

Minnesota tied it on Johnson's goal 3:57 into the third period.

Blackhawks 3, Blues 1: In Chicago, Brian Noonan scored twice as Chicago won the opener of the Norris Division semifinal series, its first victory in a playoff opener in seven years.

The Blackhawks also shut down St. Louis's Brett Hull, the NHL leader with 70 goals. Ed Belfour made 33 saves as Chicago won its opening game for the first time since 1985, when the Blackhawks swept Detroit.

Noonan, who had only four goals after Dec. 29, tied the game, 1-1, at 15:08 of the second period. Jocelyn Lemieux knocked in a rebound with 36 seconds left in the second period to give Chicago a 2-1 lead and Noonan scored again 30 seconds into the final period.

Dave Christian got St. Louis's only goal 3:24 into the game.

Conner's Luck Still Running

With America3 in Lead, Race Canceled as Wind Dies

By Angus Phillips
Washington Post Service

SAN DIEGO — Once again, Dennis Conner was saved by the luck of the Irish, ducking almost certain defeat in the first race of America's Cup defense final trials.

With Bill Koch's America3 far in the lead 8 miles (13 kilometers) into the 20-mile course on Saturday, Conner's crew watched a gentle Pacific breeze fade away to nothing, leaving America3 parked lifelessly, sails flapping, as a midrace time limit expired and the contest was officially abandoned.

The Conner's Stars & Stripes won another chance to get off on the right foot in the best-of-13 final series to select a Cup defender, as both boats retain their 0-0 records. The dying breeze also wiped out a colossal, uncharacteristic mistake by Conner that put Koch's crew out in front in the first place.

Conner, the four-time Cup finalist who had expressed the hope that "God was an Irishman" before this series began, profited from a weather break for the second straight time. Last Monday, unexpectedly gentle winds suited perfectly to his aging boat helped him win a sudden-death sailoff and advance to the final round.

Saturday, the forecast again was for moderate breezes of up to 12 knots, but once more they didn't materialize.

When they did, Conner managed to send America3 winging off to a commanding lead when he put Stars & Stripes over the starting line early and was forced to turn around and restart.

Conner, considered a master at timing his starts, was not only over the line early, he was over by half a boat-length, and for no apparent reason.

Melges was almost to the third turning mark when the breeze expired altogether and there he sat, five boat lengths from the mark, as time ticked away. Racing rules call for a match to be abandoned if the lead boat hasn't rounded the third mark after 2 hours 15 minutes, and that time limit expired with America3 slaming helplessly, about three boat lengths from the mark.

It was the first abandonment of a race in two and a half months of trials here. In fact, one had to search the records for the last time a Cup race was abandoned in progress. It turned out to be the fourth race of the 1983 Cup match, in which Australia II was well ahead of Conner's Liberty.

SCOREBOARD

HOCKEY

NHL Playoffs

DIVISION SEMIFINALS

JATURDAY'S RESULTS

Norris Division

Minnesota leads series 1-0

Minnesota 4, Detroit 3

St. Louis 3, Chicago 2

Chicago leads series 1-0

St. Louis 3, Chicago 2

Chicago leads series 1-0

St. Louis 3, Chicago 2

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St. Louis 3, Chicago 2

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division

West Division

NATIONAL LEAGUE

East Division

West Division

BASEBALL

Saturday's Line Scores

AMERICAN LEAGUE

West Division

NATIONAL LEAGUE

East Division

West Division

BASEBALL

Friday's Line Scores

AMERICAN LEAGUE

West Division

NATIONAL LEAGUE

East Division

West Division

BASEBALL

Saturday's Line Scores

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BASEBALL

Friday's Line Scores

AMERICAN LEAGUE

West Division

NATIONAL LEAGUE

East Division

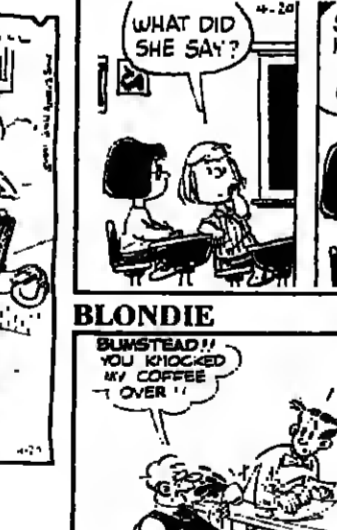
West Division

DENNIS THE MENACE



SOME GUYS JUST DON'T TAKE ANY PRIDE IN THEIR APPEARANCE.

PEANUTS



BLONDIE



BEETLE BAILEY



DOONESBURY



WIZARD of ID



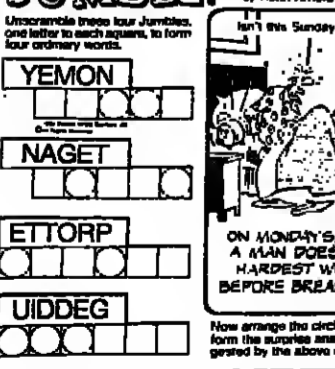
REX MORGAN



GARFIELD



JUMBLE



YEMON

NAGET

ETTOPP

UIDDEG

Print answer here:

Answers:

YEMON: YEMO

NAGET: NAGET

ETTOPP: ETTOPP

UIDDEG: UIDDEG

Answers to the crossword:

Across:

1. A word that means to be angry.

4. A word that means to be angry.

Answers:

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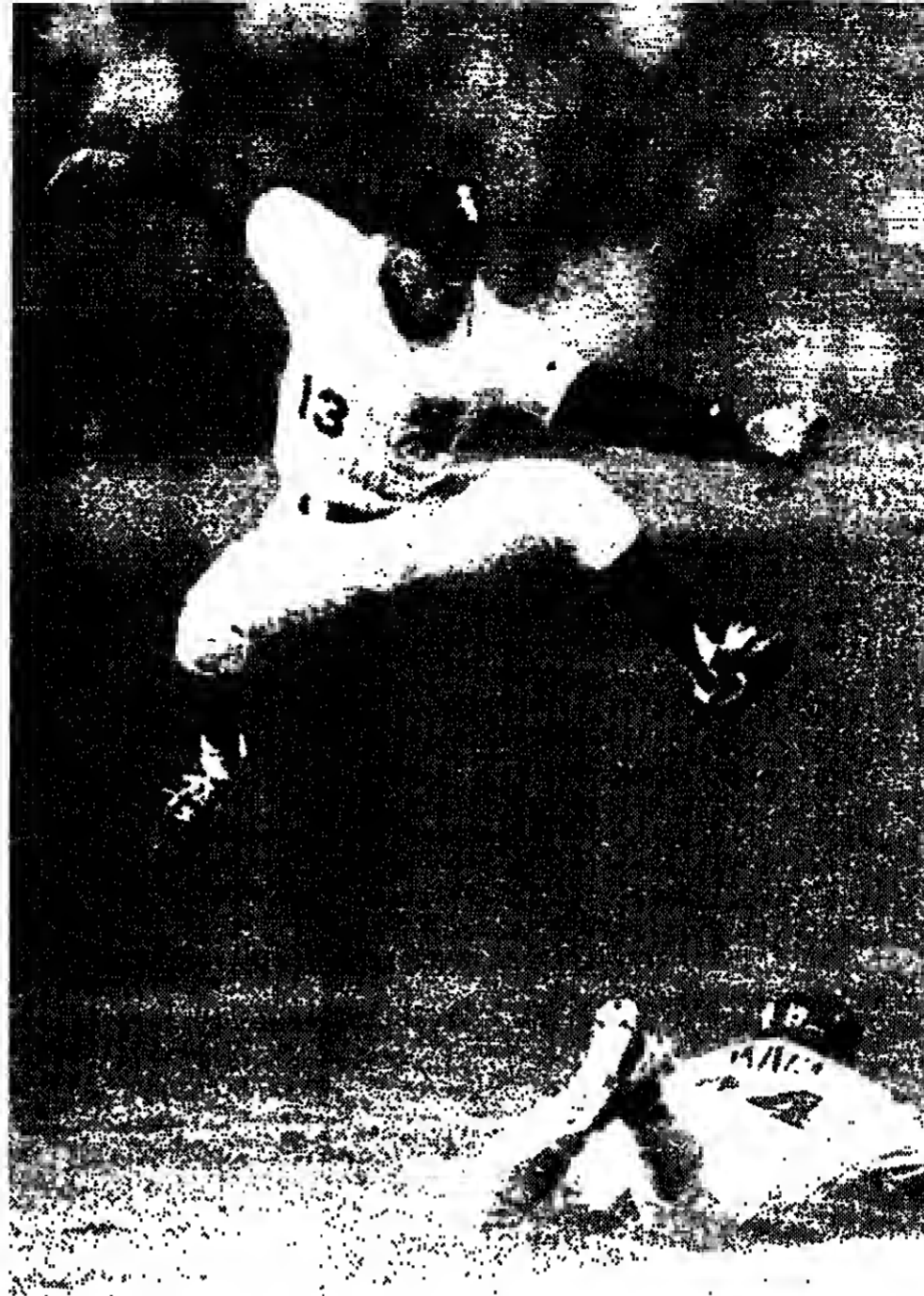
MONDAY SPORTS BASEBALL

Pirates Pound Phillies, 11-0, Sweeping Series

The Associated Press
Gary Varsho hit an inside-the-park homer and Steve Buechele and Andy Van Slyke each had three hits as the Pittsburgh Pirates continued their best start in 26 years, beating the Philadelphia Phillies, 11-0, in Pittsburgh on Sunday for their sixth straight victory.

winner in relief of Sid Fernandez. Young pitched 3 1-3 innings, allowing two runs.
Todd Hundley hit his first homer of the season in the eighth when the Mets added four runs, two coming on another double by Johnson, whose five runs batted in tied a career high for one game. Johnson entered the game with five RBIs.

with two outs before Smith doubled to put the Cubs ahead.
Four relievers shut out St. Louis over the final five innings. Shawn Boskie pitched 2 2/3 innings for the victory and Chuck McElroy worked 1 1/3 innings for his third save.



Ozzie Guillen of the White Sox leaping for the throw as the Twins' Shane Mack slides into second.

Milacki Pitches Orioles Past The Tigers, 3-2

The Associated Press
Bob Milacki became the latest Baltimore pitcher to turn in a strong performance at the Orioles' new ball park, stopping the Detroit Tigers on four hits over eight innings Sunday in a 3-2 victory.
Milacki (1-1) struck out seven and walked three as the Orioles

hitter Randy Velarde that made it 4-2.
Carlos Baerga hit a run-scoring single in the eighth off John Habyan. Steve Howe got four outs for his second save, striking out Glenallen Hill to end the eighth with runners on second and third.
Matt Nokes then homered off Rod Nichols in the bottom of the inning.

NATIONAL LEAGUE

the first time since last July 28. He benefited from a four-run fifth against another pitcher with a long time between victories, Danny Jackson. Jackson (0-3) hasn't won in his last 12 starts, dating from June 14, and has only one victory in the last two seasons.

AMERICAN LEAGUE

won their third straight from the Tigers, clinching their first series victory over Detroit in two years. The teams conclude the series Monday night.

INTERNATIONAL

John Smiley (0-2), a 20-game winner for Pittsburgh last year, had his longest outing of the season. He shut out Chicago for five innings, but gave up three runs on five hits in the sixth and left after the seventh.

SIDELINES

American Top Gymnastics Winner, As Former Soviets Garner 13 Medals

PARIS (AP) — Kim Zmeskal of the United States became a double winner Sunday at the World Gymnastics Championships, upsetting Svetlana Bogunskaya, the defending champion, in the balance beam.

New York-New Jersey Edges Frankfurt in WLAFL

The Associated Press
Kendall Trainor's 32-yard field goal as time ran out gave the New York-New Jersey Knights a 24-21 victory over the Frankfurt Galaxy in a World League of American Football game in East Rutherford, New Jersey.

Courier Wins Title in Hong Kong

Compiled by Our Staff From Dispatches
HONG KONG — Jim Courier, the world's top-ranked men's tennis player, won his third title of the year when he defeated Michael Chang, 7-5, 6-3, in the final of the Hong Kong Open on Sunday, just a few hours after completing his semifinal match.

Love 3d-Round Leader in U.S. Golf

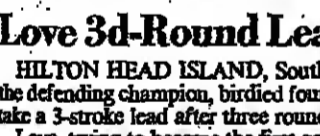
HILTON HEAD ISLAND, South Carolina (AP) — Davis Love 3d, the defending champion, birdied four of the last six holes on Saturday to take a 3-stroke lead after three rounds in the Heritage Classic.

Devil His Due Wins Wood Memorial

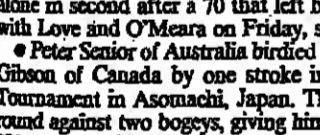
NEW YORK (AP) — Devil His Due took the lead on the final turn and won the Wood Memorial by a length over West by West, breaking himself a trip to the Kentucky Derby on May 2.

For the Record

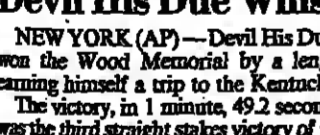
South Africa's women's tennis team qualified for the Federation Cup, to be held in Frankfurt in July, by winning the Africa-Europe Zone tournament Saturday in Athens. The South Africans, back in international team tennis for the first time in 20 years, beat Croatia, 2-1. (AP)



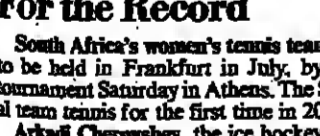
IF I DON'T HAVE A CHANCE...



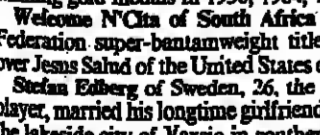
CHOMP!



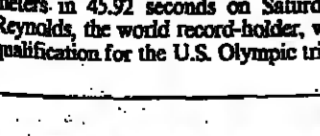
IF I DON'T HAVE A CHANCE...



CHOMP!



IF I DON'T HAVE A CHANCE...



CHOMP!

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LANGUAGE

The Strategy of Engagement

By William Safire

WASHINGTON — Governor Bill Clinton, searching for a new and different word to describe his foreign policy — not isolationist, but not too interventionist — floated on "a new strategy for American engagement." The choice, he told the Foreign Policy Association, was "whether we will engage or abstain."

Abstinence from global responsibility does not make the heart grow fonder.

House, and at think tanks that incubate future national-security advisers, the only word to use is strategy.

Where did the Baker State Department get its use of engagement from? Not from the Pentagon, which considers an engagement a battle, and is not seeking to engage an enemy without at least a half-million troops in place and the fervent support of the American people.

The immediate source of the current run of lovely engagements in diplomacy is, I think, the 1988 campaign platform of Gary Hart. With a nice touch of alliteration, he spoke of enlightened engagement, which would disengage the United States from outdated alliances and foolish adventurism without withdrawing from useful associations and necessary interventions.

"A Japanese friend and I went to rent a car," writes Kevin P. Kearney of San Francisco. "We sat in the parking lot trying to decipher all the doorknobs and handgrips on the Pontiac Bonneville. She pointed to the second of two words in 'system gauge' and asked, 'Is that correct? When did the variant spelling of gauge become acceptable? It looks wrong no matter how long I look at it.'"

Gauge is a hard word to spell. The temptation is to invert a couple of letters to make it come out gauge, the last syllable in language, or to simplify it — as did the makers of the new Pontiac rented by Kearney's friend — by spelling it the way it is pronounced, gage. But that would be wrong, as Richard Nixon used to say. The word spelled gage, as noted in the engagement item above, means "taken," and is akin to the Old High German for "wed." The word spelled gauge, from Old North French, means "a standard of measurement," with a bunch of senses that flow from that.

For some five centuries, people on occasion have dropped the u in gauge; that's long enough to make it a variant, which is how philologists say "sort of correct" when a mistake is made often enough for long enough. But most people have hung on to the u, and I would not abandon it just because some officious or wrong-headed supervisor at General Motors likes to mislead our Japanese friends by printing his own variant on the dashboards of Pontiac Bonneville.

The use of the word crisis as an attributive noun should be noted. In the old days, crisis was the noun being modified, as in Cuban missile crisis. Now it is doing the modifying.

Irene S. Pollin, M.S.W. (that stands for Master of Social Work), spoke at a recent meeting of the Linda Pollin Foundation in Bethesda, Maryland, discussing controversies about counseling the chronically ill. Her subject was the evolution of the curriculum in medical crisis counseling.

Joseph J. Sisco is a veteran diplomat; when I ran into him on a street near the White House and asked what he was doing these days, he said he was in crisis assessment. This is political and economic risk analysis for companies thinking of doing business in hot spots.

Here's an announcement from Clifford A. Miller of Burbank, California, whom I used to know as a great public relations man, but whose new shingle reads "Strategic Counsel" (presumably, how to stay out of trouble) and "Crisis Management" (what to do if you didn't listen to the first advice).

Vice President Quayle, like President Bush before him, is chairman of the crisis-management team that assembles in the Situation Room on not-so-dull days. (Why isn't that basement conference room called the Crisis Center? Because the White House does not want the public to get excited every time it is put in use. "I don't think we met down there during the Cuban missile crisis," says McGeorge Bundy, who was President Kennedy's National Security Adviser in 1961 when the communications center was named the Situation Room. He does not recollect who named it that nor does Ted Sorensen, a Kennedy aide. The widow of Bronley Smith, then the executive director of the National Security Council, promises to dig into this historical lexicographic quest, but if anyone else can shed light on the air-room situation, holler.)

The first use of crisis as an attributive noun in my recollection was by Morton Bard, a psychologist working with the New York Police Department in the 1960s on what he called family-crisis intervention. Crisis is the critical new modifier; one of these days we will see a strategy maker (former policy maker) come up with crisis engagement.

New York Times Service

Alan Bennett's Hard-Edged Diffidence

International Herald Tribune

LONDON — The taxi stops in front of Alan Bennett's house in Gloucester Crescent, the north London street where his neighbors are Jonathan Miller and other media personalities. "Are you thinking of buying this house?" the driver inquires.

Well, no, but the answer is drowned out by the cabbie's discourse on how much pleasanter it would be to live in Putney with its convenient bus routes to Fulham. Thanked for his irrelevant recommendation, off he goes and Bennett laughs later when he is told the story but does not seem surprised. He is, after all, a master of the curiosities and small poignancies of daily life and for 15 years submitted to the odd inconvenience of having a contentious loony named Miss Shepherd parked in his front driveway in her crumbling yellow van.

Miss Shepherd wore amazing hats and green eyeshades, bullied Bennett into doing her shopping and plugging her van into his electricity, made access to his front door nearly impossible, thought often of running for Parliament and suggested that Bennett get her on television, where she would sing a song of her own composition called "The End of the World," adding "It could all be anonymous. I could be called The Lady Behind the Curtain. Or a Woman of Britain. You could take a non-de-plume view of it." She died in 1989. Bennett put his car back in his driveway and his neighbors all attended her funeral.

"They're kind of liberal intellectuals," he explained. His soft northern accent, almost drawing despite its flattened vowels, offers great possibilities for timing. "The people who didn't take well to her were the people in the market. They used to persecute her. But then she wasn't a nice woman."

He has written about Miss Shepherd in "The Lady in the Van," which John Schlesinger would like to make into a film. "It's such a zinking part that Maggie Smith or someone would jump at it," he says. But while Miss Shepherd herself provided him with material, a film about her might intrude more deeply into his life. "I couldn't just be her story, it would have to be mine as well and that might be a bit difficult."

This winter Bennett had three plays on in London, not a record but no one has shown such variety: an adaptation of the children's classic, "The Wind in the Willows," "The Madness of George III," a poignant study of the king's appalling treatment when he was suffering merely from the now easily-cured ailment called porphyria, and "Talking Heads," three monologues with Patricia Routledge in the first and third and Bennett in the second as Graham, the mother's boy tormented by the intrusion of Mum's old flame, Mr. Turnbull, a flashy salesman in a three-quarter length windcheater.

He also wrote the script for the Stephen Frears film, "Prick Up Your Ears," and played Sir Anthony Blunt in his play, "A Question of Attribution," which centers on a confrontation between Blunt and Queen Elizabeth II (played by Francesca Scaler), in which the conversation is supposedly about a questionable Titian but is in fact about the dubiety of Blunt himself. He has provided British television with a series of fine dramatic monologues as well as "An Englishman Abroad," which is arguably the best television ever made and which is based on a real encounter between the spy Guy Burgess and the



Bennett as the mother's boy in "Talking Heads."

actress Coral Browne, who had gone to Moscow to play the Queen in "Hamlet."

Bennett is a famously nice man who has raised diffidence to a form of self-confidence. He suggests he might have a useful arrogant streak but if so it is invisible. His looks are deliberately anonymous — as if he were one of a row of schoolboys in a faded photograph — and much of his writing is about dissembling. An acquaintance says, "He is like a Halloween pumpkin. When you look inside there is nothing but a carefully concealed candle." People like to come up to him in the street and chat.

"They know I won't bite their heads off. I think they might be of two minds about approaching John Osborne," he says.

He would be teaching medieval history had he not been asked to join Jonathan Miller, Peter Cook and Dudley Moore in the satirical revue, "Beyond the Fringe," of which Bernard Levin wrote, "Gratitude that there should be four men living among us today who could come together to provide, as long as memory holds, an eighth color to the rainbow."

been fervently religious as a boy, although he says a fervent Anglican is a bit of a contradiction in terms, and he brought the house down for five years in "Beyond the Fringe" with his sermon on the unlikely text, "But my brother Esau is a hairy man, but I am a smooth man."

"Beyond the Fringe" was so interminably and interminably successful that it took Bennett three years to find his way as playwright when it closed in 1965. "Peter and Dudley formed a partnership and were very successful, and Jonathan was editing a television arts magazine and doing all sorts of things. I kind of felt like the Beatles drummer who dropped out."

His house is mellow in tone, full of books, with nice paintings, a trumeau mirror and a calm that will soon be shattered. The music teacher next door has sublet to a youthful drummer who has just knocked on the door and asked if he might practice for half an hour. Bennett sighs for the last tenant, who played the French horn, but says yes and thinks it nice that the boy asked.

He is a scholarly man who is invited to address the PEN club and the London Library and who has written plays about Kafka, Proust and Bernard Berenson, but again he is diffident — perhaps a way of extending his options — about his own taste. "I have very mixed feelings in an art gallery. I just feel that I'm not coming out seeing the things that other people see, or I haven't looked long enough, or I don't know what I'm looking for."

"I have this very English attitude to pictures. I think of them as furniture really, as belonging in a house. My predominant feeling in an art gallery is when I like a picture I want to put it under my arm and walk out with it."

Bennett was born in Leeds, where his father was a butcher. "My claim to literary fame is that I used to deliver meat to a woman who became T. S. Eliot's mother-in-law." His ear is impeccable in capturing the bullying amiability of the Queen, the old-fashioned camp of Guy Burgess, and above all the artless mutterings of daily life.

"Salad suits Miss Brunskill because she's a bit of a Christian Scientist," says the woman officer worker in "Talking Heads," or "Of course, if I'd happened to be heartbroken I would have felt a lot worse."

Bennett has never been in an office except at the BBC and does not, as people suppose, eavesdrop on buses, notebook in hand. He says many of his lines come from childhood and his mother's strict delineations between what was common and refined. Bought up in the provinces in the '40s and '50s, he says, one learned early the valuable lesson that life is generally something that happens elsewhere.

There is a certain northern obtuseness in his jutting chin, in his portrayals of people's lack of compassion, and in his refusal to accept Establishment values rather than those of the class to which he belongs. He says he has complicated feelings about class.

"I don't like class but I do like classes — I mean the differences between people, the contrasts. "In England, people knowing what class you are and being put in it as soon as you open your mouth means that you're sort of labelled, you're codified in a sense; you know your place. As soon as I go to France I feel I have to be grown up. I don't feel that in America because if you're English they think you're a duke. In Paris I feel I've got to be grown up."

The drummer next door had begun his deafening practice. "It sounds like he's delivering tomatoes," Bennett observed above the thumps. "Still, he did ask," he said.

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67 Friend of Pythias

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